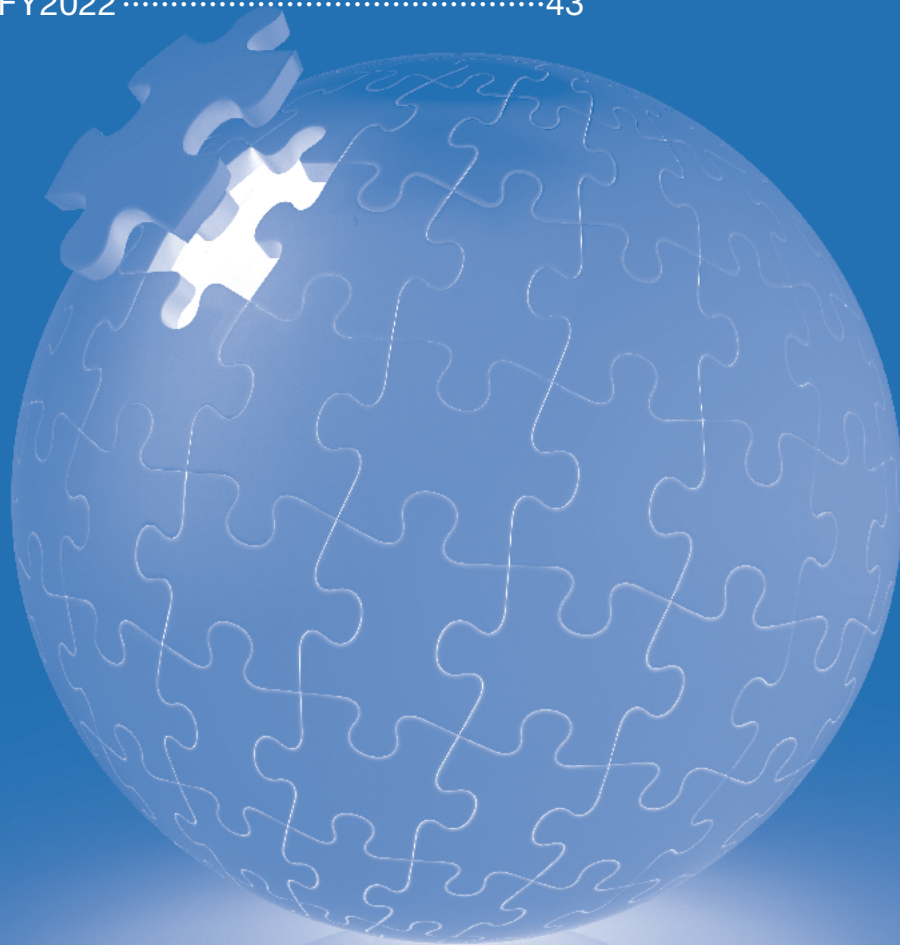


1. Profile of JBIC

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|---|----|
| 1. Profile | 2 |
| 2. History of JBIC | 4 |
| 3. Top Message | 6 |
| 4. Act for Partial Amendment of the Japan Bank for International Cooperation Act | 12 |
| 5. Directors, Managing Executive Officers and Corporate Auditors | 16 |
| 6. Medium-term Business Plan (FY2021- FY2023) | 18 |
| 7. Sustainability | 23 |
| Policies toward the Realization of Sustainability | 23 |
| Environment | 27 |
| Social | 33 |
| Governance | 38 |
| JBIC's Initiatives Related to Climate Change | 40 |
| 8. Outline of Operations in FY2022 | 43 |



1. Profile

The Purpose of JBIC

Japan Bank for International Cooperation (JBIC) is a policy-based financial institution wholly owned by the Japanese government, which has the objective of contributing to the sound development of Japan and the international economy and society, by conducting financial operations in the following four fields:

Promoting the overseas development and securement of resources which are important for Japan

Maintaining and improving the international competitiveness of Japanese industries

Promoting the overseas business having the purpose of preserving the global environment, such as preventing global warming

Preventing disruptions to international financial order or taking appropriate measures with respect to damages caused by such disruptions

Corporate Slogan

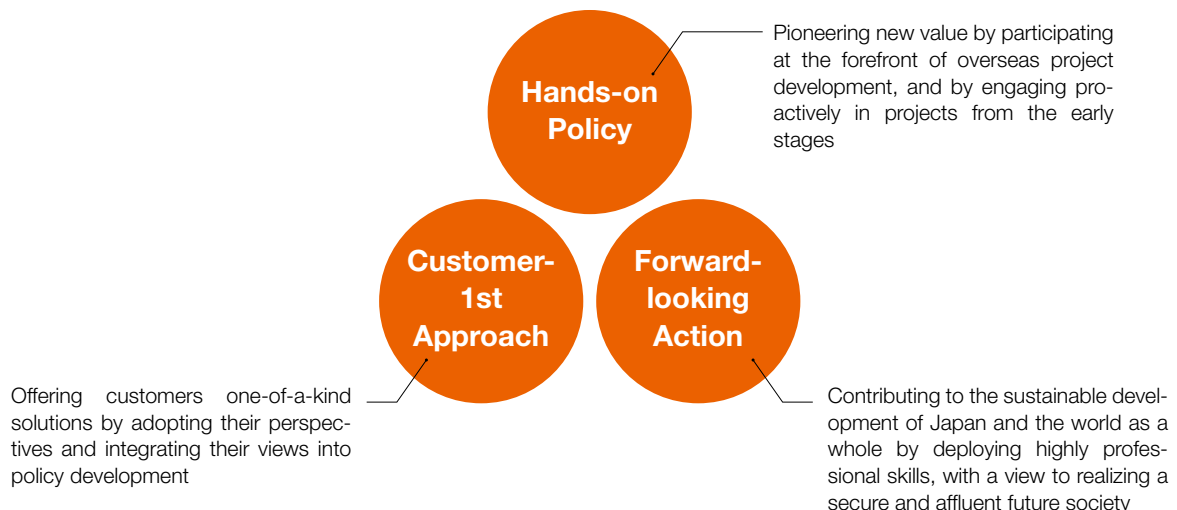
日本の力を、世界のために。

Supporting Your Global Challenges

Corporate Philosophy

The objective of JBIC, as set forth in its statutory law, is to “contribute to the sound development of Japan and the international economy and society” by executing a variety of financial functions. To pursue this objective, we have set out the following corporate philosophy, which espouses three core values: “Hands-on Policy,” “Customer-1st Approach,” and “Forward-looking Action.”

Positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy.



Operational Principles

JBIC, as a policy-based financial institution and in accordance with the following principles, conducts speedy and well-focused operations based on policy needs in response to economic and financial situations in Japan and abroad.

1 Supplementing the financial transactions implemented by private-sector financial institutions

To effectively perform the functions required for policy-based financing, JBIC shall take account of situations where private-sector financial institutions are placed in their international finance activities and supplement their operations.

2 Ensuring financial soundness and certainty of repayment

Pursuant to the JBIC Act, JBIC shall make efforts to maintain the financial soundness of its operations, and when making financial decisions, to conduct adequate screening regarding the outlook for the recovery of funds.

3 Maintaining and improving international creditworthiness and confidence

In order to conduct adequate operations and effective overseas funding operations, JBIC shall maintain and improve the international creditworthiness and confidence gained by JBIC over the years.

4 Conducting business operations by drawing on its expertise and initiatives

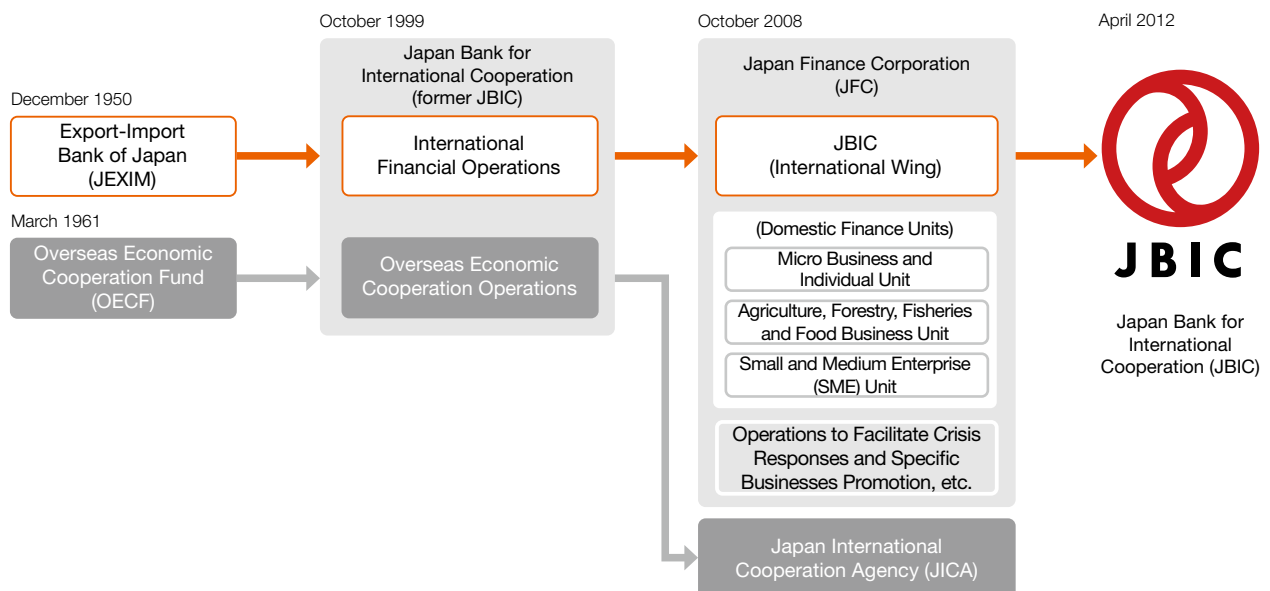
JBIC shall conduct operations by drawing on its own expertise and initiatives on international finance.

JBIC Code of Conduct

- Act consistently in the public interest. Contribute to Japan and the international community by pursuing our Mission.
- Prioritize client satisfaction. Deliberate, decide, and act from the client's perspective.
- Accept responsibility as a professional. Perform every task based on your own initiative.
- Undertake challenges daringly. Create new value without fear of failure.
- Work quickly and cost-effectively. Enhance your work quality with an eye to efficiency.
- Focus on teamwork. Share unified objectives with your colleagues to achieve significant successes.
- Maintain high ethical standards and a law-abiding spirit. Observe our moral code as a JBIC member at all times.

History

JBIC was established on April 1, 2012 in accordance with the Japan Bank for International Cooperation Act (JBIC Act), which was promulgated and came into effect on May 2, 2011.



Profile

| | |
|--|--|
| Name | Japan Bank for International Cooperation (JBIC) |
| Office | 4-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8144, Japan |
| Capital* | ¥2,108.8 billion (wholly owned by the Japanese government) |
| Outstanding Loans and Equity Participations* | ¥15,998.6 billion |
| Outstanding Guarantees* | ¥1,537.6 billion |

* As of March 31, 2023

2. History of JBIC

The Japan Bank for International Cooperation (JBIC) was established in 1950 as the Export Bank of Japan to promote exports of various types of heavy machineries.

Since then, JBIC has fulfilled this responsibility by enhancing and transforming its functions in response to the demands in each era, affected by the international political and economic environment surrounding Japan, and changes in the overseas business strategies of Japanese companies.

With the objective of supplementing the financial transactions implemented by private financial institutions, JBIC will continue to contribute to the sound development of the Japanese and international economy and society.

- 1950** Establishment of the Export Bank of Japan
- 1951** Started operations inside the head office building of the Industrial Bank of Japan, Limited
Made its first loan commitment (for export of hydroelectric generators to Argentina)
- 1952** Changed its name to The Export-Import Bank of Japan (JEXIM)
Added Import Loans and Guarantees
- 1953** Added Overseas Investment Loans and Overseas Project Loans
- 1954** Opened its first overseas representative office (Karachi)
- 1960** Outstanding amounts exceeded 100 billion yen
- 1963** Relocated to the JEXIM and JDB (Japan Development Bank) Godo Building
Opened the Osaka office
- 1966** Signed a loan agreement (first loan to international institution) with the Inter-American Development Bank (IDB)
- 1968** Outstanding amounts exceeded 1 trillion yen
- 1971** Set up a special account for the debt relief to Indonesia
- 1972** Started a foreign currency lending system and approved the first loan based on this system (Electronic component manufacturing business in Malaysia)
Added Untied Loans
- 1977** Reorganized the Osaka office into the Osaka Branch
Launched an emergency import foreign currency loan system (primary)
- 1979** Relocated to Takebashi Godo Building
- 1980** Outstanding amounts exceeded 5 trillion yen
- 1982** Launched an emergency import foreign currency loan system (secondary)
- 1983** Issued first foreign bonds
- 1986** Signed a loan agreement for Western Australian LNG project (first project financing)
- 1987** Signed an untied loan agreement with Indonesia (first loan based on the Japanese government's financial recycling scheme (-1992))
- 1989** Added Equity Participations

1950 The head office building of the Industrial Bank of Japan, Limited

1960 USIMINAS project in Brazil

1970 Amazon aluminum project in Brazil

- 1952** Japan joined the International Monetary Fund (IMF) and World Bank
- 1956** Japan joined the United Nations (UN)
- 1964** Tokyo Olympics and Paralympics
Japan joined the Organisation for Economic Co-operation and Development (OECD)
- 1967** The Association of Southeast Asian Nations (ASEAN) was established
- 1971** The Nixon shock
- 1973** The first oil crisis
- 1979** The second oil crisis
- 1982** The Latin American debt crisis
- 1985** The Plaza Accord
- 1987** Black Monday
- 1989** The fall of the Berlin Wall

Trends in the international economy and society



Panama Canal Expansion Project

● **1992** Added Bridge Loans

● **1993** Signed untied loan agreement with Bulgaria (first loan based on the Japanese government's "Fund for Development initiative" (-1997))

1990

● **1998** Implemented the assistance measures for Asia based on the Japanese government's "New Miyazawa Initiative" Outstanding amounts exceeded 10 trillion yen

● **1999** Established the Environmental guidelines **Established the Japan Bank for International Cooperation** by merging the Export-Import Bank of Japan and the Overseas Economic Cooperation Fund



Sakhalin-II oil and gas field development project

● **2001** The Reorganization and Rationalization Plan for Special Public Institutions decided by the Cabinet

● **2003** Established the JBIC Guidelines for Confirmation of Environmental and Social Considerations (Revised in 2009 and in 2015)

2000

● **2008** **Establishment of Japan Finance Corporation** merging JBIC and three domestic policy-based financial institutions Implemented emergency measures in response to global financial turmoil (-March 2011)



Intercity Express Programme in the UK



Esperanza copper mine development project in Chile

● **2010** Launched the Global action for Reconciling Economic growth and ENvironmental preservation (GREEN) Established the Guidelines for Measurement, Reporting and Verification of greenhouse gas Emission Reductions in JBIC's GREEN (J-MRV Guidelines)

● **2011** Reconstitutes organization structure (mission/sector-oriented business group structure)

● **2012** **Japan Bank for International Cooperation (JBIC)** was spun off from the Japan Finance Corporation and made a new start as the new JBIC. Formulated the First Medium-term Business Plan

2010

● **2015** Formulated the Second Medium-term Business Plan

● **2016** Established the Equity Finance Group Added the Special Operations

● **2017** Established JBIC IG Partners in collaboration with Industrial Growth Platform, Inc.

● **2018** Formulated the Third Medium-term Business Plan Launched the Global Facility to Promote Quality Infrastructure Investment for Environmental Preservation and Sustainable Growth (QI-ESG)



Moray East offshore wind power generation project in the UK

2020

● **2020** Launched the Growth Investment Facility

● **2021** Launched the Post-COVID-19 Growth Facility Formulated the Fourth Medium-term Business Plan

● **2022** Establishment of Sustainability Management Department Launched the Global Investment Enhancement Facility

● **2023** Appointed Sustainability Advisory Committee members Enactment of the Act for Partial Amendment of the Japan Bank for International Cooperation Act

● **1991** The collapse of Japan's bubble economy The dissolution of the Soviet Union

● **1992** Adoption of the United Nations Framework Convention on Climate Change (UNFCCC)

● **1993** Establishment of the European Union (EU)

● **1994** The Mexican peso crisis (Tequila Effect)

● **1997** The Asian Currency Crisis

● **1999** Launch of the Euro currency

● **2001** The September 11 terrorist attacks

● **2005** The Kyoto Protocol entered into force

● **2008** The Bankruptcy of Lehman Brothers

● **2010** The European debt crisis The Arab Spring

● **2011** The Great East Japan Earthquake

● **2015** Adoption of "Paris Agreement" at the COP21 (The 21st Conference of the Parties)

● **2016** The Paris Agreement entered into force

● **2020** Brexit

COVID-19 pandemic

● **2021** Tokyo Olympics and Paralympics

● **2022** Russia's invasion of Ukraine

3. Top Message

Supporting the Energy Transformation and Digital Transformation of Japanese Companies Contributing to Achieving Sustainable Growth of the Japanese Economy and Solving Global Issues

On behalf of the Japan Bank for International Cooperation (JBIC), I would like to express my sincerest appreciation for your support and understanding.

In the global economy, although restrictions on movements due to the COVID-19 pandemic have been lifted, Russia's unjustified invasion of Ukraine has made it difficult to secure stable supplies of energy, food, and other goods. Along with inflation and rising interest rates, geopolitical risks are severely affecting the international economic community and increasing the uncertainty. On top of this, we are entering a new era in which any one country alone cannot attain prosperity without contributing toward the Sustainable Development Goals (SDGs) that include realizing a decarbonized society and eradicating poverty and hunger.

Amid these circumstances, to ensure sustainable growth of the Japanese economy, we are required to address such challenges as a shrinking population, a declining birthrate, and an aging population, and concurrently to work on issues from a global perspective such as assuring economic security, enhancing supply chain resilience, and solving climate change problems as well as taking on challenges for digital transformation.

Regarding the realization of green transformation and digital transformation, the Government of Japan is emphasizing investments in human resources and innovation and is accelerating the transition toward a decarbonized society and promoting partnerships based on a free and open Indo-Pacific. In doing so, the active involvement of and support from public financial institutions is expected.

In response, based on the Fourth Medium-term Business Plan (FY2021–FY2023), JBIC has supported the overseas business deployment of Japanese companies, placing priority on contributing to innovation, energy transformation, digital transformation, and contribution toward achieving the SDGs to realize a decarbonized society. In April 2023, the Act for Partial Amendment of the Japan Bank for International Cooperation Act was established to further strengthen JBIC's functions in terms of enhancing supply chain resilience and aiding Japanese startups.

It is precisely in times like today characterized by unclear prospects that a reliable partner is crucial. JBIC aspires to be an organization that can move with agility, take risks proactively and solve problems while leveraging its relationships of trust with customers and long-standing partnerships with governments and institutions around the world.

As a platform for the overseas expansion of Japanese companies, JBIC will continue to meet your expectations and contribute to the sustainable development of Japan and the world.

I ask for your ongoing support.



HAYASHI Nobumitsu

Governor
Japan Bank for International Cooperation

Looking Back on My First Year as Governor

In FY2022, societies and economies began normalizing after stagnating during the COVID-19 pandemic. On the other hand, energy and food crises as well as the disruption of supply chains arising from Russia's invasion of Ukraine had huge negative impacts, as underscored by inflation and rising interest rates in developed countries and hunger and excessive debt in developing and emerging nations. Values that we have long taken for granted, such as liberal democracy and globalization rooted in the market economy, are now under threat.

Amid these circumstances, for Japan to attain economic growth and increase its presence in the world, the role that JBIC must fulfill is becoming even more important.

In June 2022, the Cabinet Order for Partial Revision to the Enforcement Order of the Japan Bank for International Cooperation Act was enacted, allowing JBIC to expand the scope of eligible support for export loans and overseas investment loans for projects in developed countries.

Additionally, in April 2023, the Japan Bank for International Cooperation Act was amended to further strengthen JBIC's functions. As a result, JBIC is able to provide additional support in three fields: (1) enhancement of supply chain resilience to contribute toward maintaining and improving the international competitiveness of Japanese industries, (2) assistance to Japanese companies, including startups, in further taking risks amid growing expectations for such sectors as digitalization and green initiatives, and (3) participation in the international support for the recovery of Ukraine.

Large Growth in Business Results in FY2022

Utilizing the Global Investment Enhancement Facility established in July 2022, JBIC proactively undertook new projects and assumed new risks related to decarbonization and supply chain resilience enhancement with an eye to the post-pandemic world. By doing so, JBIC provided a wide range of support for the overseas expansion of Japanese companies and made financial commitments totaling approximately ¥2,315.2 billion in loans, equity participation and guarantees, an increase of 12.1% from FY2021.

As initiatives to contribute to Japan's energy and resource security, JBIC provided financing for the funds necessary for Japanese companies to secure stable procurement of liquefied natural gas (LNG) as well as to acquire interests in a business for electrical and electronic waste, a recyclable resource, in Canada.

JBIC also supported a business in which a Brazilian company invested in by a Japanese company exports iron ore materials, which emit little carbon, to Japan. Steel manufacturing is an industry that emits particularly large amounts of CO₂ and JBIC's support in supplying iron ore with little carbon emission will thus contribute to decarbonization.

As initiatives to maintain and improve the international competitiveness of Japanese industry, JBIC provided support for the business deployment of Japanese companies in a wide range of fields. In the infrastructure field, JBIC provided loans for a subway construction and operation project in Canada. In overseas M&A, JBIC provided loans for the acquisition of a U.S. corporation that designs, develops, and manufactures photoresists, which are indispensable for semiconductor manufacturing, and for the acquisition of a U.S. animation distributor.

Initiatives to Address Global Challenges through Green Finance, Transition Finance, and Social Impact Finance

JBIC has placed particular emphasis on financing support for the sustainable development of the international economy and society, including green finance, transition finance, and social impact finance.

In green finance, JBIC supported renewable energy projects such as an offshore wind farm project in France and two onshore wind farm projects in Egypt, but also JBIC extended support to

power grid projects that manage power transmission and distribution and supported the UK-Germany interconnector project and the High Voltage Direct Offshore Electricity Transmission Project in the United Arab Emirates, in which Japanese companies participate. The strengthening of grids is important for enabling those countries promoting decarbonization to enhance their renewable energy such as solar, wind, and geothermal energy. I believe that the accumulation of experience and know-how in renewable energy and grid-related projects by Japanese companies through overseas operations will lead to development of renewable energy and power grid business in Japan.

In 2023, JBIC supported the Government of Indonesia's issuance of Samurai bonds (Blue bonds) aimed at preserving the marine environment. This marks the first time that an overseas issuing body has issued blue bonds in the Samurai bond market. The bonds will support initiatives to ensure the diversity of ecosystems through the maintenance and preservation of coastal mangrove forests. In the same manner as with this project, I hope we will contribute to preserving the marine environment by providing support for developing and manufacturing degradable plastics, preventing marine pollution, and improving water quality.

To procure the funds needed for green finance, JBIC issued green bonds in January and October 2022. Green bonds restrict the use of funds to projects aimed at combating climate change and promoting environmental conservation such as for renewable energy, clean transportation, and green buildings. JBIC will continue to respond to investor needs and contribute to the expansion of green finance.

As for transition finance, in developing and emerging countries that aim to balance decarbonization with economic growth, JBIC will support the conversion to cleaner and energy-saving power generation facilities in conjunction with introducing renewable energy and strengthening grids while confirming the partner country's roadmap for carbon neutrality.

In social impact finance, JBIC is also undertaking initiatives in Africa, where further economic growth is expected. As an example, one of the projects that JBIC is placing particular focus on is a solar power project in Benin. As Sub-Saharan countries face difficult political, economic, and social conditions, and investing in these countries is difficult in terms of country risk, ODA (Official Development Assistance) thus plays a central role. Despite such circumstances, JBIC supported the power generation project that involved installing solar panels on the roof of elementary schools in Benin. Children can charge their lanterns during class from the solar system and then take these home to provide lighting for their studies. Because they need to attend school to charge lantern batteries, this initiative helps to solve social issues by increasing school attendance and reducing child labor. JBIC will focus on providing vigorous support for these projects with social impacts.

In non-African regions, in May 2022, JBIC provided support through the Export-Import Bank of India to India's healthcare sector encompassing vaccine manufacturers and therapeutic drug manufacturers to respond to the COVID-19 pandemic. In September, JBIC supported the Government of Mexico's issuance of Samurai bonds (SDG bonds) aimed at improving the living environment in impoverished regions of the country. This marks the first time that the Government of Mexico has issued SDG bonds in the Samurai bond market and will support initiatives to improve the social infrastructure, including education and healthcare.

As seen above, JBIC will continue to utilize a variety of financing methods to contribute to solving global and social issues, including measures to combat climate change.

Enhancing Supply Chain Resilience and Supporting Mid-tier Enterprises and Small and Medium-Sized Enterprises

With the aim of enhancing supply chain resilience, JBIC is supporting the development of an industrial park in Vietnam. Vietnam has high investment needs from Japanese companies that look to diversify their supply chains. Furthermore, the Government of Vietnam has set a goal of attaining carbon neutrality by 2050 and JBIC is supporting solar power projects through regional banks in Vietnam.

In supporting mid-tier enterprises and small and medium-sized enterprises (SMEs). JBIC provided a

Taking advantage of the strengthened functions resulting from the amendment of the Japan Bank for International Cooperation Act, JBIC is actively working to support growth fields such as innovation, energy transformation, enhancement of supply chain resilience of Japanese industry, and digital green.



loan to a company in Kyoto Prefecture that operates a project in Vietnam for manufacturing and selling garbage bags and toys utilizing the bioplastic rice resin made from discarded rice. JBIC also supported a company in Shiga Prefecture that operates a project in Thailand for manufacturing and selling blue food coloring derived from butterfly pea. Through such loans, JBIC is contributing to local job creation and industrial development.

JBIC also financed a PET bottle recycling project being undertaken by a Japanese company in Malaysia. In Japan, 80% to 90% of PET bottles are recycled but in Malaysia the recycling rate remains at about 16%. Not only PET bottle recycling presents business opportunities, but also is meaningful as an initiative to raise local people's awareness of recycling and change their behavior.

Organizational and Work Style Reforms Tailored to a New Age

JBIC is proactively undertaking its own organizational and system reforms with an eye toward innovation, energy transformation, and digital transformation to realize a decarbonized society, and contribution to the SDGs, which are key themes of the Fourth Medium-term Business Plan.

In June 2022, JBIC established the Sustainability Advisory Committee as an advisory body to the Board of Directors and the Sustainability Committee as a deliberating body delegated by the Executive Committee. Important matters related to sustainability are discussed at the Executive Committee, Sustainability Committee, and Corporate Risk Management Committee under the supervision of the Board of Directors. JBIC also established the Sustainability Management Department as a department to centrally promote and publicize the initiatives aimed at achieving sustainability. In July, the Energy Transformation Strategy Office was established as a finance department that integrally handles next-generation energy sources including hydrogen and ammonia, from upstream to downstream.

In October 2022, JBIC for the first time made a disclosure in line with international standards based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). With the disclosure, JBIC made it public that it recognizes the crucial role of business in tackling climate change

and will proactively promote innovation while appropriately managing the risks associated with climate change. JBIC intends to further upgrade this disclosure in the future. Additionally, in April 2023, JBIC released its Human Rights Policy that expresses JBIC's commitment to respecting human rights as an organization. JBIC will continue to respect human rights and promote the realization of sustainability.

For work style reforms, JBIC aims to create working environments that enable employees to work in pleasant, comfortable and productive ways. Besides developing hardware aspects of work, such as digitizing tasks and establishing a hybrid work environment for continuing remote working system which started in response to the COVID-19 pandemic, JBIC is working to design systems that support flexible life including working hours and enable balancing between work and childcare and nursing care. I hope to create a "value-oriented" organization where the employees can respect the individuality of each person and realize how their work is beneficial not only to customers but also to the society as a whole.

To ensure such transformation, in June 2023, I compiled a list of executives' commitments and made it available to employees. The commitments intend to create a corporate climate where the diversity of employees is respected and people are treated equally regardless of their position and where everyone feels free to voice their opinions in any circumstances, and to develop a corporate culture that promotes growth of employees by encouraging them to try something new without being bound by old values. By presenting our vision as executives, we aim to strengthen our leadership.

In addition to these commitments, I am working to share information with employees and promote their understanding, for example, by directly sending a message to all employees regarding the Act amended in April 2023.

One of my favorite self-discipline quotes is Julius Caesar's words, "Men willingly believe what they wish to believe." This is a warning against understanding matters to your advantage without judging



situations calmly, and accepting only the information you desire. The world economy is changing rapidly, and industries are being reborn every day. Consequently, we must maintain constant communication with our customers, observe and experience what is happening on site, and achieve personal growth. For this reason, being agile, proactive, and resourceful is crucial. This means we will maximize our problem-solving abilities by being ahead of changes in the environment and taking risks with nimble footwork rather than reacting after changes occur. I would like to make JBIC an organization where employees can provide services as a matter of course, such as proposing and providing new ideas and finance to customers, connecting customers and related parties and acting as a bridge with the governments and authorities of partner countries.

Toward the Completion of the Fourth Medium-term Business Plan

As a result of the previously mentioned amendment to the Japan Bank for International Cooperation Act, JBIC is now able to provide financial support that is more suited to the needs of Japanese companies, such as by supporting foreign companies partnering with Japanese companies through packages, offering import loans to overseas subsidiaries of Japanese companies when they receive overseas resources, and including overseas funds for enhancing supply chain resilience in domestic loans. In addition, investing in and acquiring corporate bonds of startup companies and mid-tier enterprises and SMEs will now be possible. Moreover, fields in which JBIC takes risks to provide support have been expanded to include resource development, commercialization of new technologies and business models, and investments in startup companies.

Also, JBIC is now able to support loans by international financial institutions with the aim of supporting the reconstruction of Ukraine. Until now, JBIC has supported Japanese companies' projects in Ukraine. Based on the policy of the Government of Japan, JBIC will now provide guarantees for loans in cooperation with international organizations that play a major role in Ukraine's economic activities.

Following the G7 Finance Ministers and Central Bank Governors' Meeting held in Niigata before the G7 Hiroshima Summit in May 2023, JBIC, European Bank for Reconstruction and Development (EBRD), and European and U.S. development finance institutions participating in the Ukraine Investment Platform signed a memorandum of understanding in June. JBIC also provided support to Poland, which accepts a large number of Ukrainian refugees, through the provision of guarantees for the fund raised by a Polish policy-based financial institution in the samurai bond market with the aim of allocating the proceeds to the Aid Fund for Ukraine. Ukrainian President Zelenskiy expressed his gratitude to Japan for this JBIC's support at the G7 Hiroshima Summit.

Besides the ongoing multilateral cooperation to support the reconstruction of Ukraine, JBIC has been engaged in Japan-U.S. -Australian and Japan-U.S. -Australia-India collaborative projects. Recently, when an Australian company acquired a telecommunications carrier which has a mobile network in the South Pacific Islands region, JBIC, together with the U.S. International Development Finance Corporation (DFC) supported Export Finance Australia (EFA), the primary provider of financial support.

Toward the completion of the Fourth Medium-term Business Plan, JBIC will utilize its strengthened functions resulting from the legal amendment and make further efforts to realize energy resource security, respond to global issues, enhance supply chain resilience, deploy high-quality infrastructure overseas, and support the creation of new markets by startups.

In consideration of current advanced economic activities, JBIC, as a policy-based financial institution wholly owned by the Japanese government, will contribute to overseas business deployment of Japanese companies through comprehensive financial support without being constrained by precedents. This support includes fulfilling financing and investing functions, guarantee functions, and risk-taking functions, as well as promoting multilateral collaboration and collaboration with foreign business partners of Japanese companies.

4. Act for Partial Amendment of the Japan Bank for International Cooperation Act

Given multiple factors, including changes in the international situation surrounding Japan's economy, the Act for Partial Amendment of the Japan Bank for International Cooperation Act was enacted in April 2023 to further strengthen JBIC's functions. This Act allows JBIC to provide support in three fields: (1) enhancement of supply chain resilience to contribute

toward maintaining and improving the international competitiveness of Japanese industries, (2) assistance to Japanese companies, including startups, in further taking risks amid growing expectations for such sectors as digitalization and green initiatives, and (3) participation in international support for the recovery of Ukraine.

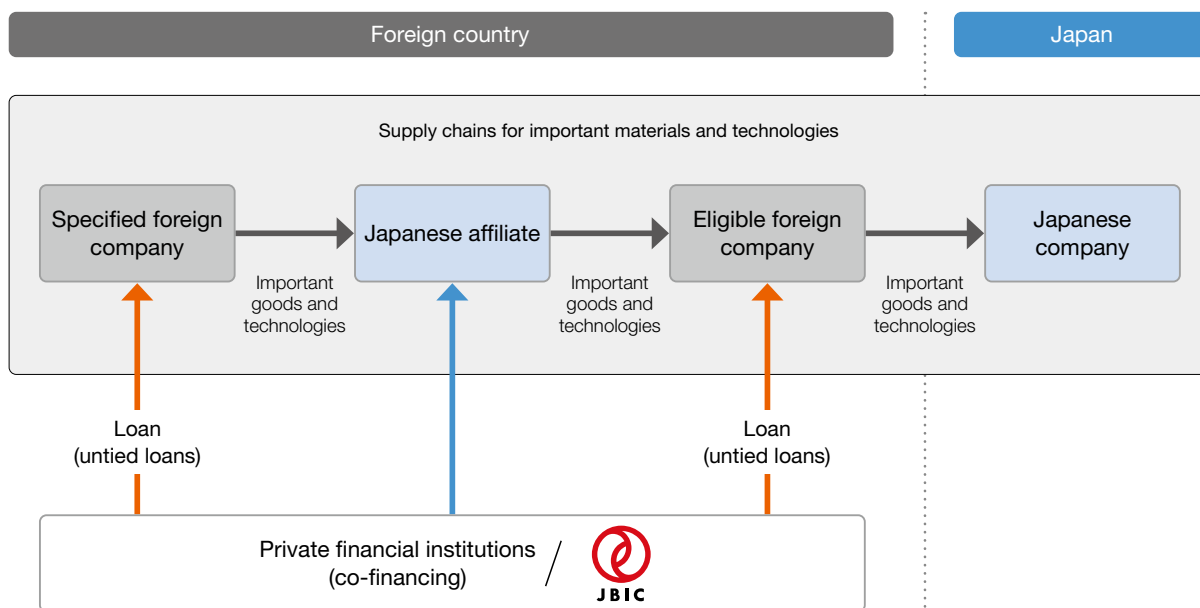
Enhancement of supply chain resilience to contribute toward maintaining and improving the international competitiveness of Japanese industries

- Untied loans are newly available to foreign companies that support the supply chain for important materials and technologies in maintaining and improving the international competitiveness of Japanese industries and the necessary infrastructure for the overseas business of Japanese companies.
- Support through import loans is now available not only when importing overseas resources into Japan but also when Japanese companies receive these resources overseas.
- Direct loans to Japanese companies (overseas investment loans) are newly available for overseas business operations which are intended to enhance Japanese companies' supply chain resilience.

(1) Untied loans for eligible foreign corporations (overview)

Enhancement of supply chain resilience

- Given the fact that the supply chains and the industry bases for important materials and technologies essential to Japan's economic activities and people's lives are multi-layered and that the international division of labor is progressing, untied loans are now available to foreign companies integrated into these chains and bases (eligible foreign companies).
- Materials and technologies that are important in maintaining and improving the international competitiveness of Japanese industries as well as the bases necessary for Japanese companies' overseas business are designated by the Ministry of Finance Ordinance.



- Newly available support
- Currently available support

The assistance is available to eligible foreign companies, which are engaged in the following operations (as of October 1, 2023).

| |
|---|
| <p>(i) Operations related to “important goods”</p> <p>Of the following operations, those necessary for enhancing the resilience of the supply chain for goods procured by Japanese or Japanese-affiliated companies</p> <ul style="list-style-type: none"> • Development of important resources for Japan • Manufacturing of equipment and other items necessary to generate electricity from renewable energy • Manufacturing of rechargeable batteries • Manufacturing of components and accessories of ships and aircraft • Development and manufacturing of medical devices • Development and manufacturing of pharmaceuticals • Manufacturing of motors • Manufacturing of semiconductors, including the raw materials and equipment necessary for the manufacturing • Development and manufacturing of fertilizers, agricultural instruments, and other goods necessary for food production, including agriculture • Manufacturing of low-carbon materials |
| <p>(ii) Operations related to “important technologies”</p> <p>Of the following operations, those necessary for facilitating the provision of technologies utilized by Japanese and Japanese-affiliated companies</p> <ul style="list-style-type: none"> • Development of artificial intelligence-related technologies • Development of technologies related to quantum computers and other equipment that harness the quantum property • Development of biotechnology • Development of blockchain technology |
| <p>(iii) Operation related to “bases necessary for global business operations”</p> <p>Of the following operations, those necessary for global business activities by Japanese and Japanese-affiliated companies</p> <ul style="list-style-type: none"> • Development of bases for power generation, transmission, etc., necessary to provide electricity from renewable energy • Development of bases for utilizing information and communication technology (including launching, tracking, and controlling of communication satellites) • Medical care |

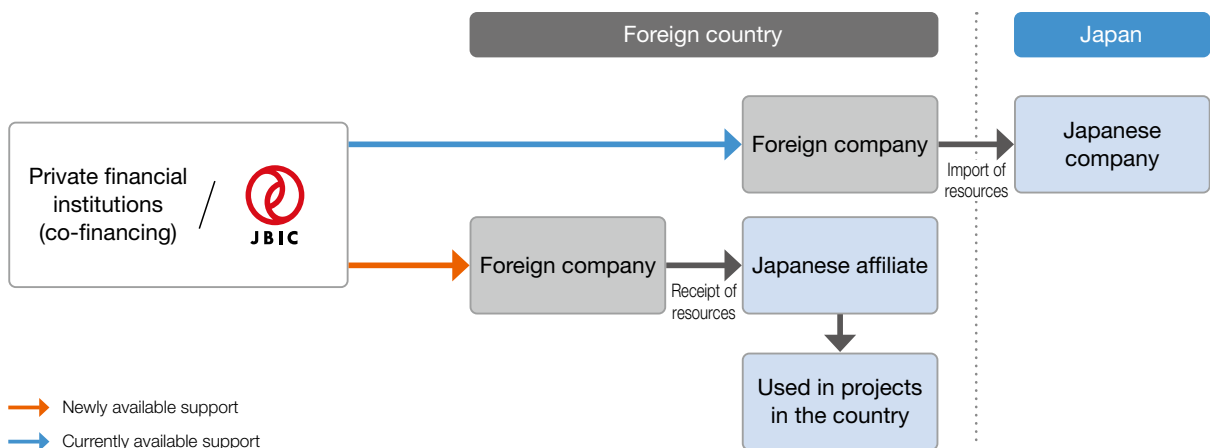
In providing a loan, etc. to an eligible foreign company, JBIC conducts screening for the applicant, from the viewpoint of contributing toward maintaining and strengthening the international competitiveness of Japanese industry, including economic security.

(2) Import loans for receiving resources overseas

Enhancement of supply chain resilience

■ As the supply chains of Japanese companies are also being developed outside of Japan, support through import loan is available not only when importing resources into Japan, but also when Japanese companies and Japanese-affiliated companies receive resources overseas.

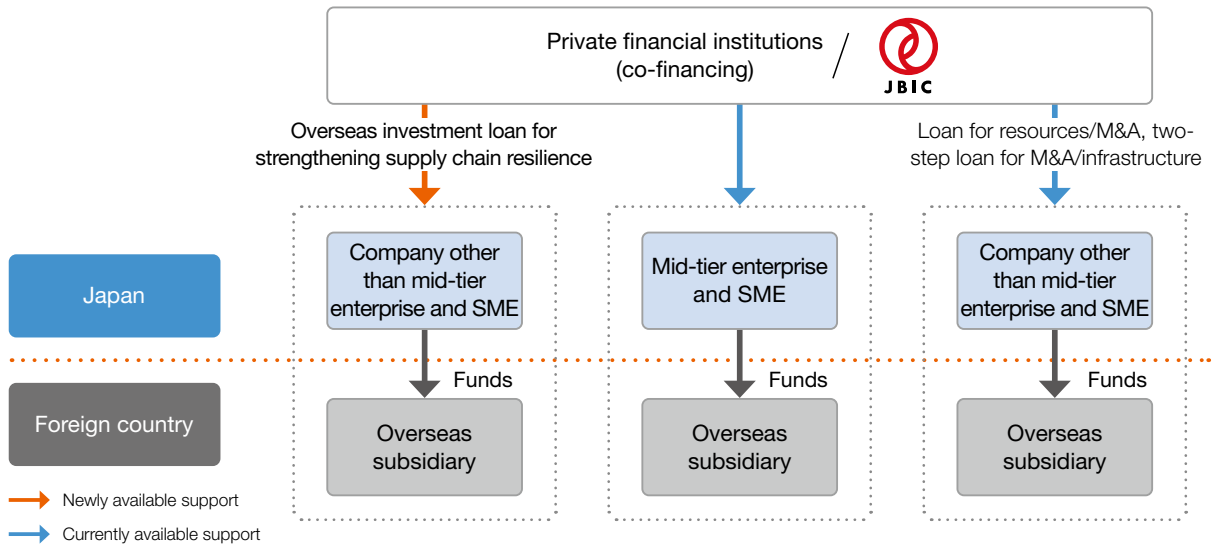
* **Resources important to Japan:** oil, petroleum gas, LNG, coal, uranium, metallic ore, metals, mineral phosphate, fluorite, salt, wood, wood chips, pulp, fuels derived from biomass (organic matter derived from animals and plants that can be used as an energy source, excluding crude oil, petroleum gas, flammable natural gas and coal as well as products manufactured from these), hydrogen, fuel ammonia, and other resources important to Japan.



(3) Overseas investment loans to Japanese companies for overseas business operations to strengthen supply chain resilience

Enhancement of supply chain resilience

- Given the fact that the supply chains of Japanese companies have extended across borders, direct loans to Japanese companies (overseas investment loans) are newly available for overseas business operations which are intended to enhance Japanese companies' supply chain resilience, in addition to the current loans for resources and M&A, two-step loans, etc.
- JBIC supports the overseas supply chains of Japanese companies from upstream to downstream operations, ranging from manufacturing, development, transportation, and procurement of raw materials to processing, assembly, transportation, and sales of products.



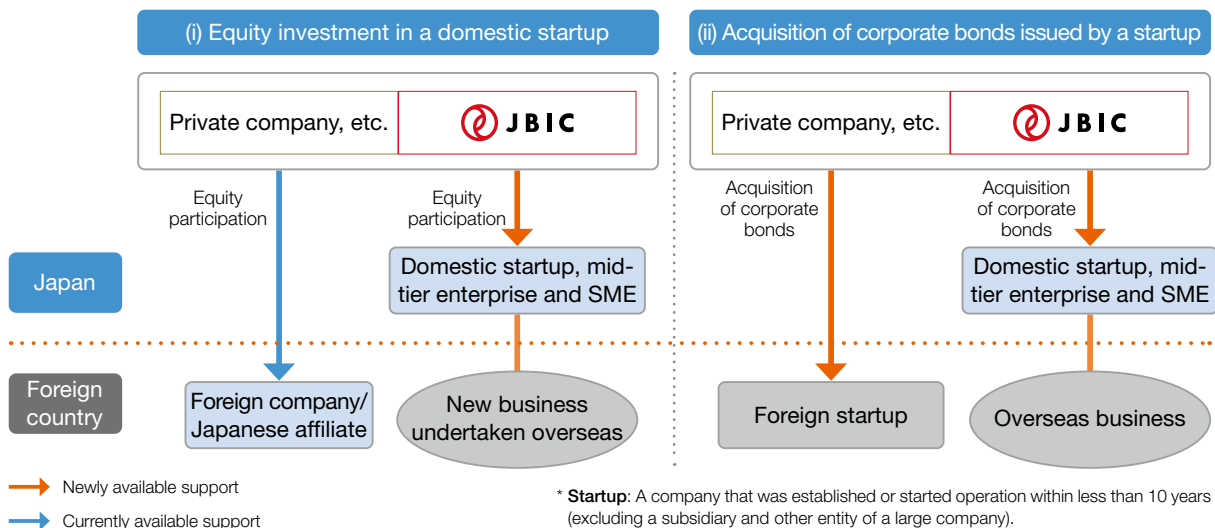
Assistance to Japanese companies, including startups, in further taking risks

- The assistance is newly available for equity investments or acquisition of corporate bonds of Japanese startups (which were established or started operation within less than 10 years), mid-tier enterprises, and SMEs engaged in overseas business operations.
- Development of energy and natural resources, commercialization of new technology and business models, and equity investments in or acquisition of corporate bonds of startups are newly included in Special Operations.

(1) Equity investment in, acquisition of corporate bonds and assisting in risk taking of domestic startups

Assistance for risk taking

- As measures to support overseas business financing for promising startups as well as mid-tier enterprises and SMEs that aim to expand overseas after gaining experience in Japan, (i) equity investments in and (ii) acquisition of corporate bonds issued by startups or mid-tier enterprises and SMEs are now included in the operations.

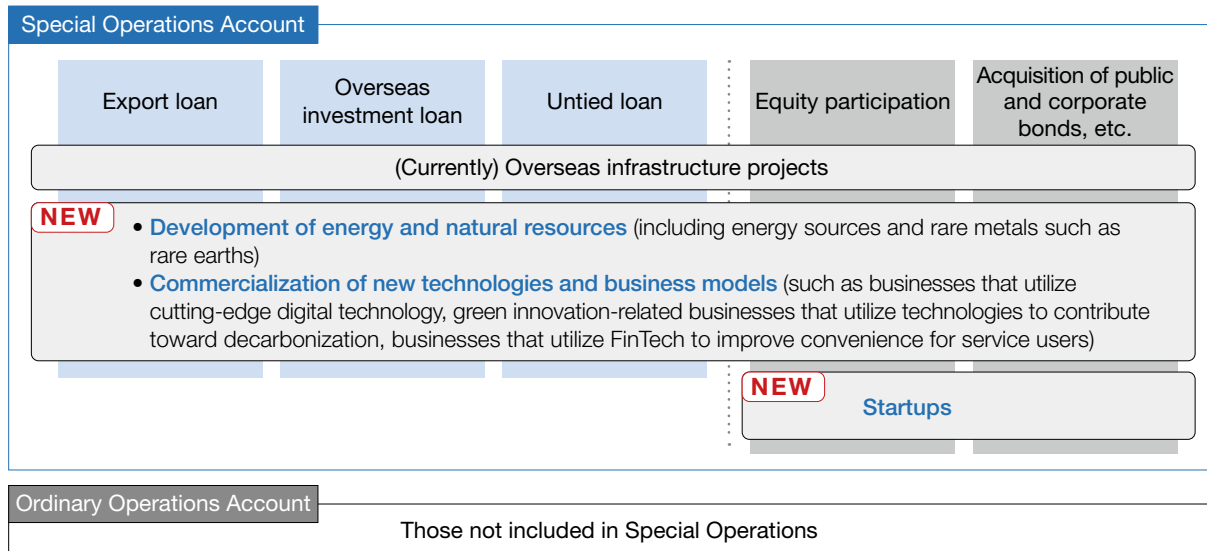


* **Startup:** A company that was established or started operation within less than 10 years (excluding a subsidiary and other entity of a large company).

(2) Expanded coverage of Special Operations

Assistance for risk taking

- JBIC began Special Operations in October 2016 to enable further risk-taking for overseas infrastructure projects. Projects are classified as Ordinary Operations or Special Operations and are accounted for under the respective “principle of mutual compensation.” However, the “certainty of repayment principle” does not apply to individual projects in Special Operations, from the perspective of strengthening risk-taking functions.
- Development of energy and natural resources, commercialization of new technology and business models, and equity investments in startups are newly included in Special Operations to promote further risk-taking by Japanese companies.



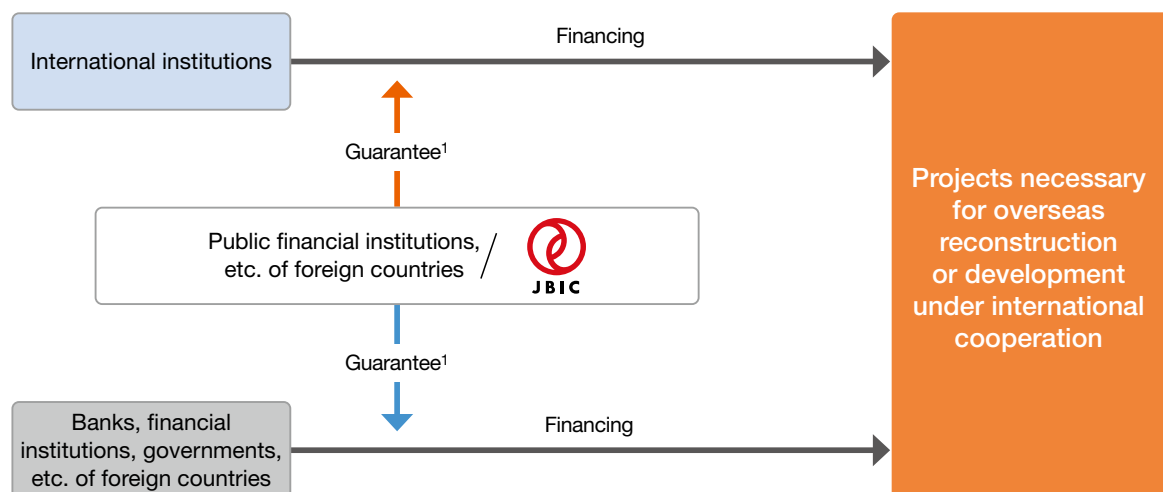
Participate in international support for the recovery of Ukraine

- JBIC is now able to provide guarantees for loans for the recovery of Ukraine by international financial institutions.

Guarantees for loans by international institutions

Participation in support for recovery of Ukraine

- JBIC has expanded support tools by enabling to provide guarantees to “loans by international institutions” with an eye to supporting reconstruction of Ukraine under international cooperation.
- The guarantees mentioned above are provided under the mission “Preventing disruptions to international financial order or taking appropriate measures with respect to damages caused by such disruptions (Ordinary Operations Account).”



→ Newly available support
→ Currently available support

1. The mission “Preventing disruptions to international financial order or taking appropriate measures with respect to damages caused by such disruptions (Ordinary Operations Account).”

5. Directors, Managing Executive Officers and Corporate Auditors (As of September 1, 2023)

Directors



Governor
HAYASHI Nobumitsu



Deputy Governor
AMAKAWA Kazuhiko



Executive Managing Director
HASHIYAMA Shigeto



Senior Managing Director
OISHI Ichiro



Senior Managing Director
TANAKA Kazuhiko



Senior Managing Director
TANIMOTO Masayuki

Managing Executive Officers

| | | |
|----------------------------|---|----------------|
| Managing Executive Officer | Global Head of Corporate Planning Group | KIKUCHI Yo |
| Managing Executive Officer | Global Head of Credit, Assessment and Risk Management Group | TANAKA Eiji |
| Managing Executive Officer | Global Head of Treasury and Systems Group | OGAWA Kazunori |
| Managing Executive Officer | Global Head of Energy and Natural Resources Finance Group | AMANO Tatsushi |
| Managing Executive Officer | Global Head of Infrastructure and Environment Finance Group | SEKINE Hiroki |
| Managing Executive Officer | Global Head of Industry Finance Group | SASAKI Satoshi |
| Managing Executive Officer | Global Head of Equity Finance Group | UCHIDA Makoto |

Non-Executive Directors



Managing Director, Chairman
of the Board of Directors
MAEDA Tadashi



Managing Director
(Outside Director)
KOIZUMI Shinichi



Managing Director
(Outside Director)
KAWAMURA Yoshinori

Corporate Auditors



Corporate Auditor
(Full-Time Corporate Auditor)
NASU Noriko



Corporate Auditor
(Outside Corporate Auditor)
TSUCHIYA Mitsuaki



Corporate Auditor
(Outside Corporate Auditor)
MOTOMURA Aya



6. Medium-term Business Plan (FY2021- FY2023)

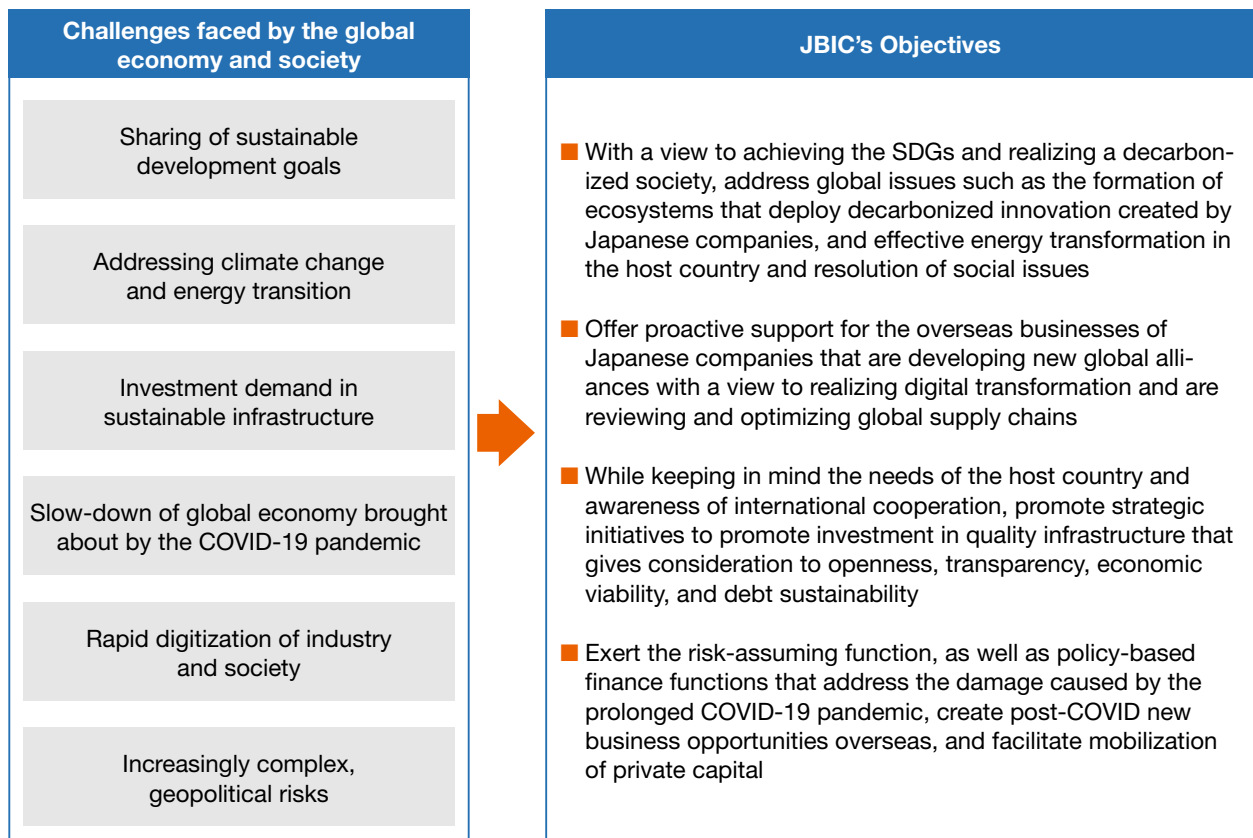
COVID-19 is currently having a tremendous impact on numerous countries and regions, and Japan is no exception. At the same time, the need for structural changes in industry and society has become clearly evident for proceeding with global rebuilding with an eye toward the post-pandemic world. In the international community, there is an urgent need for ambitious efforts to realize a smooth energy transition to respond to climate change problems and to attain inclusive and sustainable development and growth. Furthermore, in industry there are ongoing moves to re-evaluate and optimize global supply chains in view of consumer needs and rising geopolitical risks in the age of the so-called new normal, while efforts are also being made to pursue international collaboration for adapting to the rapid advances of digitization and innovation.

To address these issues, JBIC formulated its Fourth Medium-term Business Plan (FY2021- FY2023) in June 2021. This business plan sets out six Key Focus Areas and 17 Action Plans under the focus areas and JBIC is working to attain these goals. In FY2022, which marked the second year of the plan, the two-year efforts in relation to Key Focus Areas began to bear fruit, with the corresponding indicators that had fallen far below the targets in FY2021 showing a steady improvement. Additionally, after the Act for Partial Amendment of the Japan Bank for International Cooperation Act was passed and enacted in April 2023, JBIC added a new target, "Engage proactively toward the execution of policy-based finance functions based on the amendment of JBIC Act", to Action Plan (4) in Key Focus Area 4.

Direction of the Business in the Fourth Medium-term Business Plan

In FY2020, economic activities faced an unprecedented degree of restrictions due to the COVID-19 pandemic. Amidst expectations of strong recovery of the global economy after such a year, the international community is confronted by these common challenges: (1) exploring the way toward sustainable growth and development that achieves balance between the economy, society, and the environment; (2) acceleration of energy transition toward the realization of a

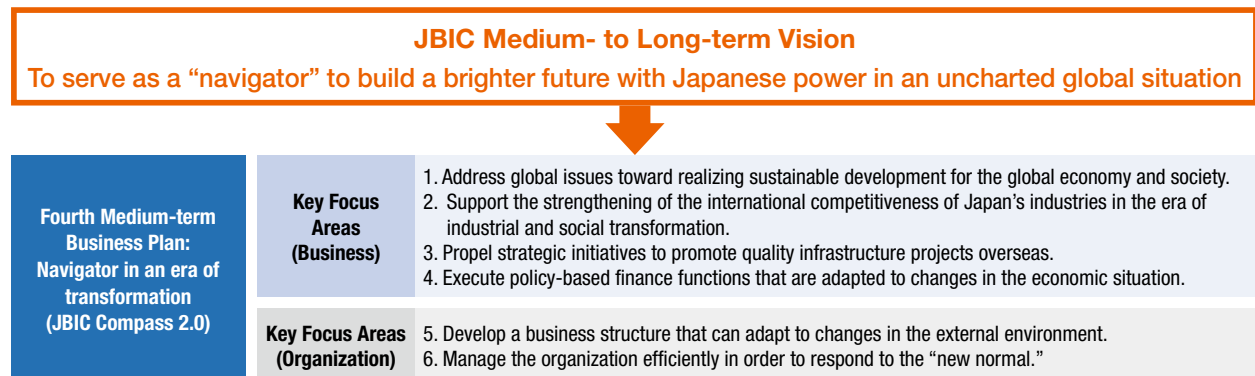
decarbonized society; (3) responding to industrial and social transformation due to advancement in digitization. Taking these challenges into consideration, JBIC has set out the following objectives, from the perspective of policy-based finance. These objectives have been incorporated as action plans into the Fourth Medium-term Business Plan. JBIC is fully committed to the achievement of the plan.



■ Key Focus Areas

JBIC's corporate philosophy is, "Positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy." Under this philosophy, it has established the medium- to long-term vision, "To serve as a 'navigator' to build a brighter future with Japanese power in an uncharted global situation," which defines what JBIC wishes to become over the next 10 years. Based on this vision, the Fourth Medium-term

Business Plan sets out six key focus areas based on the theme "navigator in an era of transformation," in the context of objectives such as the realization of the SDGs and a decarbonized society, and the irreversible advancements in energy transformation and digital transformation. Seventeen action plans have been positioned under these six key focus areas, and JBIC is committed to achieving these action plans in coming years.



■ Action Plans

| | Key Focus Areas | Action Plans |
|---------------------|---|---|
| Business | 1 Address global issues toward realizing sustainable development for the global economy and society. | <ol style="list-style-type: none"> (1) Respond to energy transformation toward the realization of a decarbonized society. (2) Support projects that contribute toward resolving social issues. |
| | 2 Support the strengthening of the international competitiveness of Japan's industries in the era of industrial and social transformation. | <ol style="list-style-type: none"> (1) Address the strengthening of resilience and rebuilding of international supply chains. (2) Support M&A and technology acquisition by Japanese companies toward digital transformation, etc. |
| | 3 Propel strategic initiatives to promote quality infrastructure projects overseas. | <ol style="list-style-type: none"> (1) Support participation in overseas infrastructure projects that harness the strengths of Japanese companies. (2) Promote multilateral cooperation and cooperation with multilateral financial institutions, etc. |
| | 4 Execute policy-based finance functions that are adapted to changes in the economic situation. | <ol style="list-style-type: none"> (1) Respond swiftly to overseas businesses that have been impacted by the COVID-19 pandemic. (2) Undertake strategic initiatives for countries/regions of great importance from a policy perspective. (3) Execute-business steadily as a policy-based financial institution, including support for small and medium-sized enterprises. (4) Strengthen the risk-assuming functions as a policy-based financial institution. (5) Further promote the mobilization of private capital. |
| Organization | 5 Develop a business structure that can adapt to changes in the external environment. | <ol style="list-style-type: none"> (1) Develop a business structure that is adapted to changes in the business environment and customer needs. (2) Respond appropriately to interest rate benchmark reforms. (3) Conduct appropriate and efficient credit analysis and credit management during and after the COVID-19 pandemic. |
| | 6 Manage the organization efficiently in order to respond to the "new normal." | <ol style="list-style-type: none"> (1) Digitalize the working environment that can adapt to the "new normal." (2) Promote human resource development and work style reforms that can maximize performance and draw out vitality of diverse employees. (3) Strengthen the effectiveness of the compliance system. |

■ Action Plans (Business)

Key Focus Area: 1 Address global issues toward realizing sustainable development for the global economy and society.

Action Plan (1) Respond to energy transformation toward the realization of a decarbonized society.

- To contribute toward the creation of a new ecosystem, with a view to reducing greenhouse gases worldwide and realizing decarbonization in Japan, support efforts to reduce greenhouse gases and popularize green innovation by financing projects in fields such as renewable energy and energy savings, smart energy (power storage technology, etc.), green mobility, smart cities, and promotion of the production, transportation, and utilization of hydrogen (Green finance)
- While working to engage host countries to make the shift toward sustainable energy, provide support for initiatives toward global energy transition by financing projects in areas such as energy conversion, CCUS/carbon recycling, ammonia and hydrogen co-combustion, in order to contribute toward expanding businesses that help to reduce environmental burden (Transition finance)

Action Plan (2) Support projects that contribute toward resolving social issues.

- To contribute toward efforts aimed at resolving social issues in host countries and realize sustainable growth, such as efforts to improve health, welfare and hygiene, create employment, and develop sustainable cities and living spaces, provide support for projects that assist resolving social issues in the host countries. These include the development and enhancement of the medical care environment (infectious disease countermeasures, hospital and medical equipment), access to basic infrastructure (water and sewage services, rural electrification and distributed power systems, information communications), development of the living environment (urban development and disaster prevention, public transport), improvement in the hygiene environment (waste disposal, reuse and recycling, countermeasures for marine plastic waste), and food safety and sustainable food systems (food value chains) (Social impact finance)

Key Focus Area: 2 Support the strengthening of the international competitiveness of Japan's industries in the era of industrial and social transformation.

Action Plan (1) Address the strengthening of resilience and rebuilding of international supply chains.

- To contribute toward efforts aimed at the restructuring of global supply chains by Japanese companies and the building of local supply chains in order to cultivate new markets, support Japanese companies to rebuild and strengthen the resilience of global supply chains. These efforts include new capital investment overseas by Japanese companies (investments related to the relocation, establishment, and expansion of business bases), and infrastructure development for local supporting industries and industrial cluster overseas

Action Plan (2) Support M&A and technology acquisition by Japanese companies toward digital transformation, etc.

- To cope with the rapid progress of digital transformation, and to support initiatives by Japanese companies to rebuild their business models as well as develop and acquire state-of-the-art technology, provide support to strengthen the international competitiveness of Japanese companies during the period of digital transformation by financing efforts for the acquisition of advanced technologies and knowhow from overseas, including digital technology

Key Focus Area: ③ Propel strategic initiatives to promote quality infrastructure projects overseas.

Action Plan (1) Support participation in overseas infrastructure projects that harness the strengths of Japanese companies.

- To secure debt sustainability in host countries and economic viability that reflects the life cycle costs of a project, and to contribute toward the promotion of quality infrastructure overseas that takes environmental and social impact into consideration, provide support for the quality infrastructure projects overseas through means such as the utilization of core technologies by Japanese companies and continued involvement in O&M

Action Plan (2) Promote multilateral cooperation and cooperation with multilateral financial institutions, etc.

- To meet global infrastructure needs through coordination and cooperation with diverse funding sources, promote initiatives toward deal-sourcing and structuring of projects through multilateral cooperation, including Japan-U.S.-Australia-India cooperation, and coordination with multilateral financial institutions, etc.

Key Focus Area: ④ Execute policy-based finance functions that are adapted to changes in the economic situation.

Action Plan (1) Respond swiftly to overseas businesses that have been impacted by the COVID-19 pandemic.

- Implement emergency measures steadily (financing based on the Emergency Window)
- Respond flexibly to changes in the global financial environment (including appropriate credit management)

Action Plan (2) Undertake strategic initiatives for countries/regions of great importance from the policy perspective.

- Undertake strategic initiatives toward the formation of loan, equity participation, and guarantee projects in countries and regions of great importance from policy perspectives (including enhancing support for projects in Africa and initiatives based on multilateral cooperation)

Action Plan (3) Execute business steadily as a policy-based financial institution, including support for mid-tier enterprises and small and medium-sized enterprises.

- Implement policy-based finance steadily, including securing important resources and supporting overseas expansion by Japanese industries
- Support overseas expansion by small and medium-sized enterprises through efforts such as strengthening cooperation with private financial institutions, including regional financial institutions, and knowledge sharing

Action Plan (4) Strengthen the risk-assuming functions as a policy-based financial institution.

- Strengthen the risk-assuming function through means such as the utilization of special operations, and diversify financing products by utilizing local currency-denominated financing, etc.
- Strengthen external presence and negotiation leverage as a policy-based financial institution
- Endeavor to fulfill the functions as a policy-based financial institution based on its enhanced functionality (new settings for FY2023)

Action Plan (5) Further promote the mobilization of private capital.

- Actively promote the mobilization of private capital, including private investment and financing by private financial institutions, through our loan, equity participation, and guarantee operations and the securitization of loan assets

■ Action Plans (Organization)

Key Focus Area: 5 Develop a business structure that can adapt to changes in the external environment.

Action Plan (1) Develop a business structure that is adapted to changes in the business environment and customer needs.

- Develop a business process and structure that takes the external environment into consideration, such as changes in the business environment and customer needs, response to SDGs and climate change issues, and global trends related to ESG investments

Action Plan (2) Respond appropriately to interest rate benchmark reforms.

- Respond appropriately to interest rate benchmark reforms (LIBOR cessation), including the smooth transition to an alternative interest rate benchmark in loans, equity participation, and guarantee operation, and system modification and the review of credit analysis processes

Action Plan (3) Conduct appropriate and efficient analysis and credit management during and after the COVID-19 pandemic.

- Conduct appropriate and efficient credit analysis and credit management under the constraints of a remote work environment
- Adjust risk-management framework to changes in the international situation and social environment, such as the prolonged COVID-19 pandemic and interest rate benchmark reforms

Key Focus Area: 6 Manage the organization efficiently in order to respond to the “new normal.”

Action Plan (1) Digitalize a working environment that can adapt to the “new normal.”

- Agilely review, improve, and digitize work processes, and utilize RPA
- Strengthen functions toward improving user experience for information systems, in anticipation of the normalization of remote work, and secure stability and safety of information systems

Action Plan (2) Promote human resource development and work style reforms that can maximize performance and draw out vitality of diverse employees.

- Foster an organizational culture that harnesses the diversity of employees as a source of vitality, and support autonomous career development and capacity development
- Undertake initiatives toward improving the working environment to enable employees to continue working with vitality

Action Plan (3) Strengthen the effectiveness of the compliance system.

- Develop a compliance system that strikes a balance between effectiveness and efficiency

7. Sustainability

Policies toward the Realization of Sustainability

The world's economies are facing the shared challenges of dealing with climate change and pursuing sustainable growth and development while seeking to achieve a balance between the economy, society, and the environment. In response to these challenges, JBIC promotes initiatives under its Fourth Medium-term Business Plan and work with stakeholders toward fostering global sustainable development and resolving global challenges, to ensure the realization of sustainable societies, as well as realizing "the colorful world" that embraces diversified spectrum and gradation of countries and people.

JBIC released its ESG Policy on October 28, 2021, in advance of the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26). JBIC is committed to pursuing ambitious and accelerated efforts to achieve net zero emissions in its finance portfolio by 2050.

JBIC contributes toward realizing global carbon neutrality by supporting and accelerating the energy transition of emerging and developing countries through continued engagement with the relevant national governments and authorities.

In the meantime, we made our first information disclosures based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in October 2022.

In April 2023, we released the JBIC Human Rights Policy, which expresses our commitment to respecting human rights and also states our expectations on clients and suppliers to respect human rights.

As Japan's policy-based financial institution, JBIC promotes the realization of sustainability through efforts to resolve global challenges, including responses to climate change issues and respect for human rights.



JBIC ESG Policy

1. Policies towards the Realization of Sustainability

- The world's economies are facing the shared challenge of dealing with climate change whilst pursuing sustainable growth and development, and all the while seeking to achieve a balance between the economy, society, and the environment. In light of these challenges, JBIC's Fourth Medium-term Business Plan (announced in June 2021), identified the addressing of "global issues toward realizing sustainable development for the global economy and society" as its first key focus area. Accordingly, JBIC is actively working to support this global agenda through the provision of green finance, transition finance, and social impact finance. In addition, as an organization, under the Fourth Medium-term Business Plan and the Second Plan for Work Style Reform, JBIC strives to foster a culture that harnesses the diversity of its employees, support individual career development and knowledge development, and continue to improve the working environment for its employees.
- JBIC continues to review its organizational structure, systems and processes with a view to strengthening its sustainability governance and management systems, so that JBIC can actively support Japanese companies and the global economic community in their efforts to achieve decarbonization and SDG goals, and as appropriate, disclose the results of the provision of such support to its stakeholders.
- With a view to fulfilling JBIC's role as "a navigator to build a brighter future with Japanese power" (as stated in JBIC's Fourth Medium-term Business Plan), JBIC, through its risk-assuming function as a policy-based financial institution and long-standing relationships with its stakeholders and overseas networks, proactively contributes to fostering global sustainable development and resolving global challenges, to ensure the realization of sustainable societies.

2. Climate Change Policy

- Climate change is one of the most urgent challenges facing the world's economies. Following the adoption of the Paris Agreement in December 2015, the global effort to address climate change has accelerated. In October 2020, the Japanese government made a declaration to aim for carbon neutrality by 2050 (i.e., to achieve net zero greenhouse gas emissions). In order to achieve the objectives of the Paris Agreement, global collective action is urgently required through not only efforts led by developed countries, but also through coordinated action taken by developing and emerging countries to ensure the energy

transition towards a decarbonized society.

- In recognition of the urgency to accelerate global concerted efforts to combat climate change, and in alignment with Japanese government policy, JBIC set out its plans to address climate change in paragraphs (1) to (4) below, in advance of the United Nations Climate Change Conference (COP26) starting on October 31, 2021. As Japan's policy-based financial institution, JBIC continues to be proactive in providing financial support for efforts to tackle climate change, based on Japanese government policy.

(1) Contributing toward the Global Implementation of the Paris Agreement

- In order to align with the international goals to achieve the objectives of the Paris Agreement, JBIC is committed to pursuing ambitious and accelerated efforts to reduce its operational emissions to net zero by 2030, and to achieve net zero emissions in its finance portfolio by 2050. Moreover, through continued engagement with the relevant national governments and authorities, JBIC will contribute in realizing global carbon neutrality by supporting and accelerating the energy transition towards a decarbonized society of emerging and developing countries.

(2) Strengthening Climate Change-related Finance

- Achieving the objectives of the Paris Agreement requires substantial investment. As such, the flow of funds, including those through the mobilization of private finance, needs to be redirected and applied to pathways towards decarbonization. JBIC harnesses its risk-assuming function as a policy-based financial institution as well as its negotiation leverage, to promote green innovation and accelerate the energy transition of emerging and developing countries through engagement with the relevant national governments and authorities, and through multinational coordination. JBIC thereby takes the lead in global decarbonization through such actions and the provision of finance, in addition to disseminating climate-related information, and issuing green bonds, among other things.
- In addition to ending the provision of financing for unabated international thermal coal power generation as agreed at the G7 Summit in June 2021, JBIC also backs efforts leading to the transition to clean energy generation by harnessing new technologies.

(3) Enhanced Climate-related Financial Disclosures Pursuant to the TCFD Recommendations

- In recognition of the importance of reporting

on climate-related financial information, JBIC announced in October 2019 of its endorsement of the Task Force on Climate-related Financial Disclosures (TCFD) that was established by the Financial Stability Board (FSB). JBIC also engages in the TCFD Consortium, which was set up as a forum for institutions who support the TCFD recommendations to exchanges ideas. JBIC will proceed in disclosing relevant information based on the TCFD framework.

(4) Environmentally and Socially Conscious Financings and Investments

- Since the formulation and publication of the JBIC Guidelines for Confirmation of Environmental and Social Considerations in 1999, JBIC has

ensured that the financing of its relevant projects have been subject to the environmental and social impact considerations required under such guidelines. JBIC will be at the forefront of such environmental and social considerations by reviewing, as appropriate, the guidelines and taking into consideration, among other things, the international frameworks that are in place with respect to environmental and social considerations, the discussions taking place at the Organisation for Economic Co-operation and Development (OECD) regarding the Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence, and a wide public consultation process.

JBIC Human Rights Policy

Commitment to Respect Human Rights

The Japan Bank for International Cooperation (hereinafter, “JBIC”) stipulates, as its corporate philosophy, that “positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy,” with the aim of contributing to the sound development of Japan and the international economy and society. In recognition of the importance of respect for human rights, JBIC has developed this Human Rights Policy (hereinafter, the “Human Rights Policy”) and is committed to endeavoring to respect human rights.

JBIC recognizes the Universal Declaration of Human Rights, International Covenants on Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, and Guiding Principles on Business and Human Rights as international standards on human rights. Laws and regulations may vary by country or region. Nonetheless, JBIC will pursue methods to respect international human rights standards whilst also complying with local laws and regulations.

Scope of Application

Executives and employees (executive officers and staff members) of JBIC will respect human rights in line with the Human Rights Policy. JBIC will share the philosophy behind the Human Rights Policy with its goods and services suppliers (hereinafter, the “Suppliers”) and clients, and expects such Suppliers and clients to endeavor to respect human rights.

Executives and Employees

JBIC’s executives and employees are required to act in accordance with the spirit of fundamental human rights protection. When dealing with clients and Suppliers, JBIC will respect their human rights and conduct business in a fair manner.

JBIC prohibits discrimination of any kind, including

on the basis of race, nationality, place of birth, gender, age, religion, belief, and disabilities. JBIC does not tolerate human rights violations, including sexual harassment, power harassment, maternity-related harassment, or any other type of harassment, forced labor, child labor, or human trafficking. JBIC also respects the freedom of association and collective bargaining rights of its staff members.

Cooperation with Suppliers

JBIC will respect human rights in its relationships with its Suppliers. For example, JBIC will handle Suppliers’ personal information appropriately based on its Privacy Policy and will strive to ensure that Suppliers do not receive discriminatory treatment.

In addition, JBIC will share the philosophy behind the Human Rights Policy with its Suppliers and expects them to respect human rights.

Cooperation with Clients

JBIC will respect human rights in its relationship with clients. In relation to products and services provided to clients. For example, JBIC will handle the clients’ personal information appropriately based on its Privacy Policy and will strive to ensure that clients are free from discriminatory treatment.

In addition, JBIC will share the philosophy behind the Human Rights Policy with its clients and expects them to respect human rights.

JBIC has established the Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations (hereinafter, the “Guidelines”) for transactions with clients. Pursuant to the Guidelines, JBIC will confirm that appropriate environmental and social considerations, including human rights considerations, have been undertaken by project proponents and that outcomes are taken into account in decision-making on lending, equity

participation, and guarantees (hereinafter, "Funding"). Following Funding decisions, JBIC will, if necessary, monitor or take steps to encourage to ensure that appropriate environmental and social considerations are undertaken.

Access to Remedies

In the event that products or services provided by JBIC are found to have caused or contributed to adverse impacts on human rights, JBIC will take appropriate measures to remedy the situation.

JBIC has set up a whistle-blowing hotline (compliance helpline) to provide relief for those who have been negatively affected within JBIC. JBIC has also established a harassment hotline for JBIC's executives and employees, and an exclusive compliance hotline for local staff members of Representative Offices outside Japan.

Suppliers and clients can bring to JBIC's attention their concerns and complaints through a complaint counter (to the Legal Affairs and Compliance Office) as well as through members of JBIC's relevant groups, departments, and offices.

Furthermore, in the Guidelines, it is recommended that project proponents establish a point of contact for complaints in order to receive complaints from stakeholders such as local residents at an early stage and to promote their resolution.

Governance and Management

The Human Rights Policy is approved by the Board of Directors of JBIC and will be amended as necessary.

Education and Development

JBIC will ensure that all its executives and employees are familiar with the Human Rights Policy and will strive to share a correct understanding and appreciation of human rights issues through means such as conducting training on human rights.

Stakeholder Engagement

JBIC will disclose its human rights related activities appropriately and will strive to gain the understanding of its stakeholders.

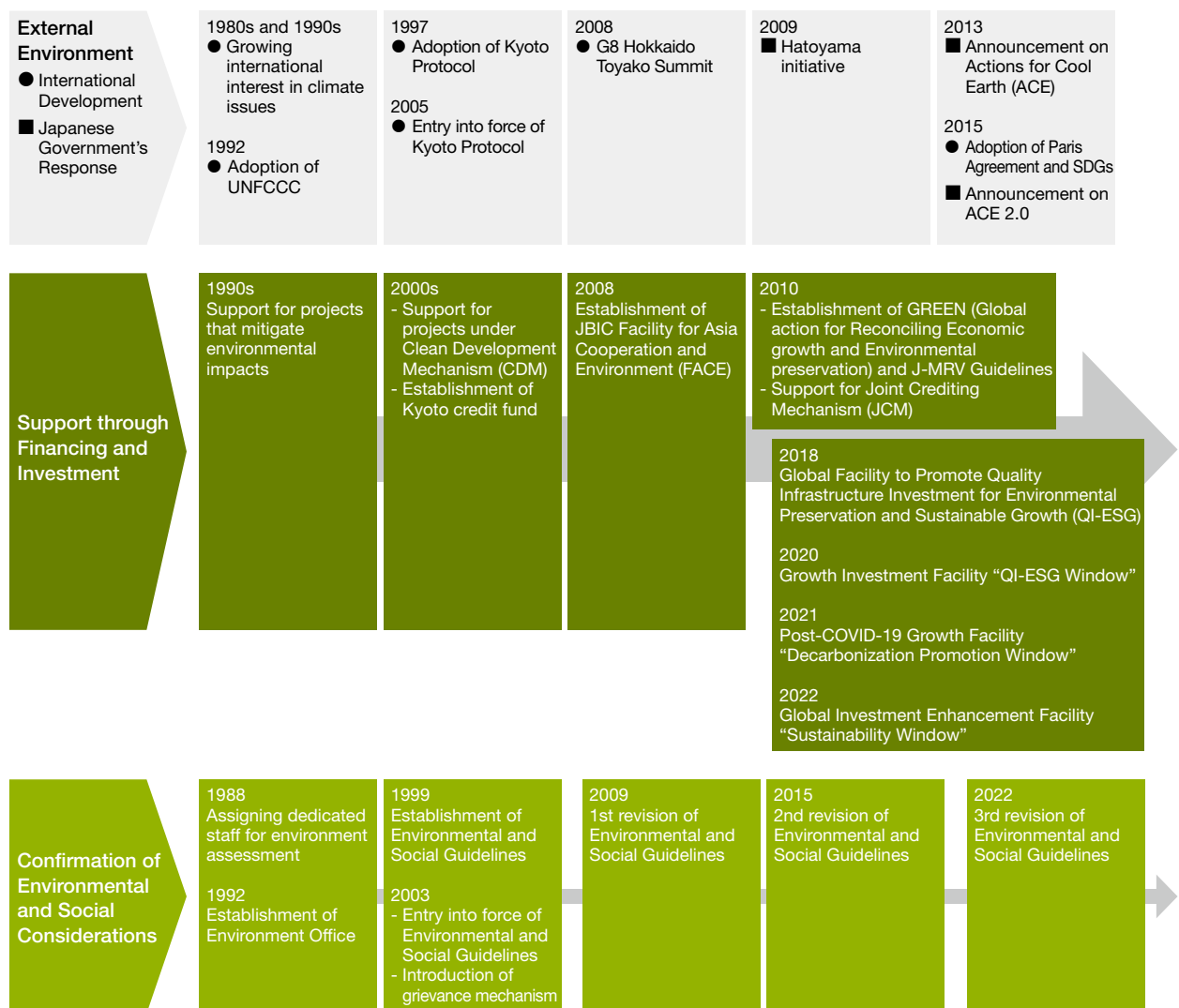
In addition, JBIC has adopted objection procedures concerning the Guidelines and has established Examiners for Environmental Guidelines, which act as an organ independent of JBIC's Funding departments. The Examiners for Environmental Guidelines will encourage dialogues between the parties concerned based on their consent, in order to assist early resolution of disputes concerning specific environmental and/or social problems caused by the JBIC-funded project, which arose due to JBIC's non-compliance with the Guidelines.

E Environment

JBIC's Journey on Environmental Issues

In recognition of the importance of global efforts to address environmental issues, and in alignment with Japanese government policy, JBIC has been working since the 1990s to create a new finance menu and develop a governance and management systems.

JBIC continues to be proactive in providing financial support for efforts to tackle climate change and other issues, based on the Japanese government policy.



Examples of Business Outcomes Relating to Green Finance

Through green finance and transition finance, we are responding to energy transformation toward the realization of a decarbonized society.

Supporting Solar Power Generation Projects by an Indian State-Owned Company

Point JBIC concluded in March 2023 a loan agreement amounting to up to ¥9 billion with SJVN Limited (SJVN), an Indian state-owned company, for its solar power generation project. The loan is co-financed with MUFG Bank, Ltd. and the San-in Godo Bank, Ltd., bringing the total co-financing amount to ¥15 billion. JBIC will also provide a guarantee for the portion co-financed by the private financial institution.

Along with its continuous economic growth, India aims to develop power generation facilities to meet its rapidly increasing demand for electricity. At the same time, India, which is the world's third largest emitter of CO₂, also faces an urgent need for measures to combat climate change such as by reducing CO₂ emissions. The Government of India has declared it will achieve "energy-independence" by 2047 and will realize carbon neutrality by 2070. As part of these efforts, India has set the goal of achieving 50% electric power installed capacity from non-fossil fuel-based energy resources by 2030 and is promoting the introduction of renewable energy and the spread of EVs (electric vehicles).

To achieve the goal of carbon neutrality, SJVN is strengthening its renewable energy projects, including solar power generation projects. The loan provides SJVN and its subsidiaries with the funds necessary for solar power generation projects in India.

This loan not only supports the Government of India's and SJVN's initiatives that contribute toward global environmental preservation but also contributes to improving the bilateral relationship between Japan and India.



Signing ceremony with SJVN

Project Financing for Onshore Wind Farm Project in Egypt

Point JBIC concluded in November 2022 a loan agreement in project financing amounting to up to approximately \$281 million with AMUNET WIND POWER COMPANY S.A.E. (AMUNET) of Egypt, invested in by Sumitomo Corporation and others for an onshore wind farm project. The loan is co-financed with public and private banks such as International Finance Corporation (IFC), Sumitomo Mitsui Banking Corporation, and Sumitomo Mitsui Trust Bank, Limited, bringing the total co-financing amount to approximately USD 518 million.

In this project, AMUNET will build, own, and operate an approximately 500 MW onshore wind farm within the Red Sea Governorate along the shore of the Gulf of Suez. AMUNET will also sell the electricity generated by the wind farm to Egyptian Electricity Transmission Company for a duration of 25 years.

The Government of Egypt aims for a 30% reduction in GHG emissions by 2030 by increasing renewable energy. The project is expected to contribute toward the energy transition of the Government of Egypt. In 2020, JBIC signed a memorandum of understanding (MOU) with IFC to enhance cooperation between the two organizations. This is the first co-financing with IFC since the signing of the MOU.

Additionally, this loan is in line with the Government of Japan's policy of providing support for quality energy and electricity infrastructure in a way that is compatible with the host country's energy policy. The loan also financially supports an overseas infrastructure project where a Japanese company participates. Furthermore, the loan is compatible with the promotion of Japan's Green Growth Initiative with Africa (GGA), which encompasses collaboration with multilateral development financial institutions, that was released by the Government of Japan at the Eighth Tokyo International Conference on African Development (TICAD 8) in August 2022.



Signing ceremony with AMUNET



Planned project site

Supporting Renewable Energy Project by Indonesian National Oil Company

Point JBIC concluded in December 2022 a loan agreement amounting to up to \$30 million with PT Pertamina (Persero) (Pertamina), Indonesia's state-owned oil company, for its renewable energy projects. The loan is co-financed with MUFG Bank, Ltd. and the Chiba Bank, Ltd., bringing the total amount of co-financing to \$50 million. JBIC will also provide a guarantee for the portion co-financed by the private financial institutions.

The Government of Indonesia has expressed its national goal of reducing GHGs by at least around 32% by 2030 and achieving net-zero emissions by 2060. Pertamina is responding by focusing on new businesses in cleaner energy fields in conjunction with decarbonization of existing business.

The loan aligns with the Just Energy Transition Partnership (JETP), which was agreed on by the Government of Indonesia and its partner countries, including Japan and the US., in November 2022. In addition, the loan is in line with the concept of the Asia Zero Emission Community (AZEC) released by the Governments of Japan and Indonesia in November 2022. Furthermore, the loan aligns with the MOU that JBIC signed with Pertamina in November 2022 to strengthen a partnership between the two organizations for the clean energy sector. In the future as well, JBIC will support the Government of Indonesia's and Pertamina's initiatives that contribute toward preserving the global environment.



Signing ceremony

Project Financing for Ultra-High Voltage Direct Current Offshore Electricity Transmission Project in UAE

Point JBIC concluded in September 2022 a loan agreement for project financing to up to approximately \$1,201 million with ABU DHABI OFFSHORE POWER TRANSMISSION COMPANY LIMITED L.L.C., a UAE incorporated company, invested in by Kyushu Electric Power Company and other companies, for an ultra-high voltage direct current offshore electricity transmission project. The loan is co-financed with the Export-Import Bank of Korea, Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, and others, bringing the total co-financing amount to approximately \$3,201 million.

This project involves the construction, ownership, and operation of an ultra-high voltage direct current offshore power transmission system linking two offshore production facilities owned by the Abu Dhabi National Oil Company (ADNOC), the national oil company, wholly owned by the Emirate of Abu Dhabi (Abu Dhabi), with the Abu Dhabi onshore power grid. The project will receive payment of power transmission charges from ADNOC for 35 years after the construction has been completed.

ADNOC and the UAE Government have committed to reducing CO₂ emissions to zero by 2045 and 2050, each. This project will contribute toward reducing the emission of GHGs in Abu Dhabi by supplying clean power generated more efficiently on the UAE mainland to ADNOC's offshore production facilities. In November 2021, ADNOC and JBIC signed an MOU on business cooperation to promote cooperation between ADNOC and Japanese companies in the fields of decarbonization and energy transmission, as well as energy efficiency, and the project is in line with the objectives of this MOU.

The Government of Japan established the policy of providing financial support for quality energy and electricity infrastructure to help host countries achieve energy transition and decarbonization. The loan is in line with these policies and will financially support the overseas infrastructure project, where the Japanese company has invested, thereby contributing toward maintaining and improving the international competitiveness of Japanese industry.



Oil and gas field production facilities



High Voltage Direct Current Offshore Electricity Transmission System

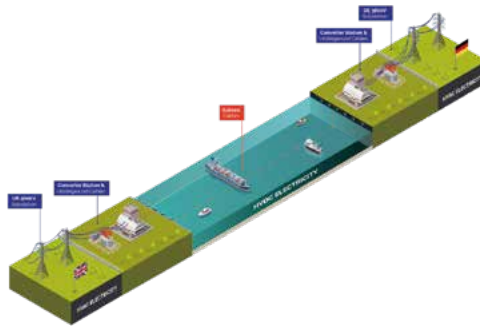
Project Financing for U.K.-Germany Interconnector Project

Point JBIC in July 2022 concluded loan agreements in project financing amounting to up to approximately £270 million and €156 million with three companies in the U.K., Germany, and the Netherlands, respectively, in which Kansai Electric Power Co., Inc. has invested, for an interconnector project that will link between the U.K. and Germany. The loans are co-financed with the European Investment Bank (EIB), Sumitomo Mitsui Banking Corporation, and Mizuho Bank, Ltd., etc., bringing the total co-financing amounts to approximately £1,069 million and €910 million.

The project will construct a high voltage direct current transmission system that will link the eastern region of the U.K. and Northern Germany with a cable of total length of approximately 720 km and a capacity of 1,400 MW. The system will be operated for a duration of 25 years. Kansai Electric Power is participating in the project based on its track record in submarine high-voltage DC power transmission in Japan and plans to accumulate even-more advanced technologies and know-how to utilize in future business.

Also, in the Strategic Energy Plan, the Government of Japan stated it would promote innovations in the energy and environmental technology fields and support efforts toward decarbonization by working toward realizing carbon neutrality in collaboration with developed countries. The loans are in line with these policies and will financially support an overseas infrastructure project, where a Japanese company will invest and will be involved in its operation and management for the long term, thereby contributing toward maintaining and improving the international competitiveness of Japanese industry.

The EIB and JBIC signed in October 2021 an MOU to further strengthen cooperation between the two policy-based public financial institutions in areas such as climate and environmental change measures in which Japan and the EU will play a leading role. This is the first project which EIB and JBIC have cooperated in since the signing of the MOU.

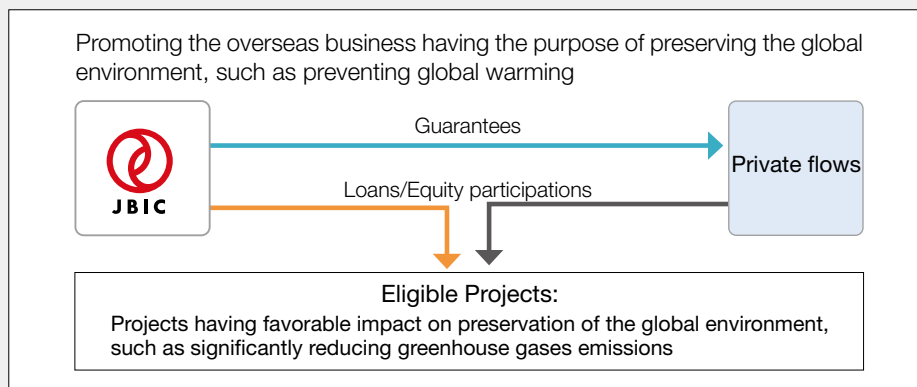


GREEN Operations

JBIC conducts environmental operations under Global action for Reconciling Economic growth and ENvironmental preservation (“GREEN”). Under GREEN operations, JBIC provides support for projects that have a high global environmental conservation effect in the form of loans, guarantees and equity participations, while mobilizing private sector funds. Such projects include a project to construct a solar power generation plant or a power plant with high energy efficiency and a project to introduce energy-saving equipment, each utilizing

advanced environmental technologies. GREEN’s main focus has been providing support for preserving the global environment, mainly for projects that are expected to significantly reduce greenhouse gases emissions, while paying attention to potential use of Japanese advanced technologies that are highly regarded around the world.

JBIC will promote overseas infrastructure development that contributes to preserving the global environment while widely utilizing the know-how and technologies of Japanese companies.



Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations

As global concern over the environment and human rights heightens, there are more than a few cases, in which insufficient risk management of possible environmental and social impacts has seriously affected project implementation or undermined its social reputation.

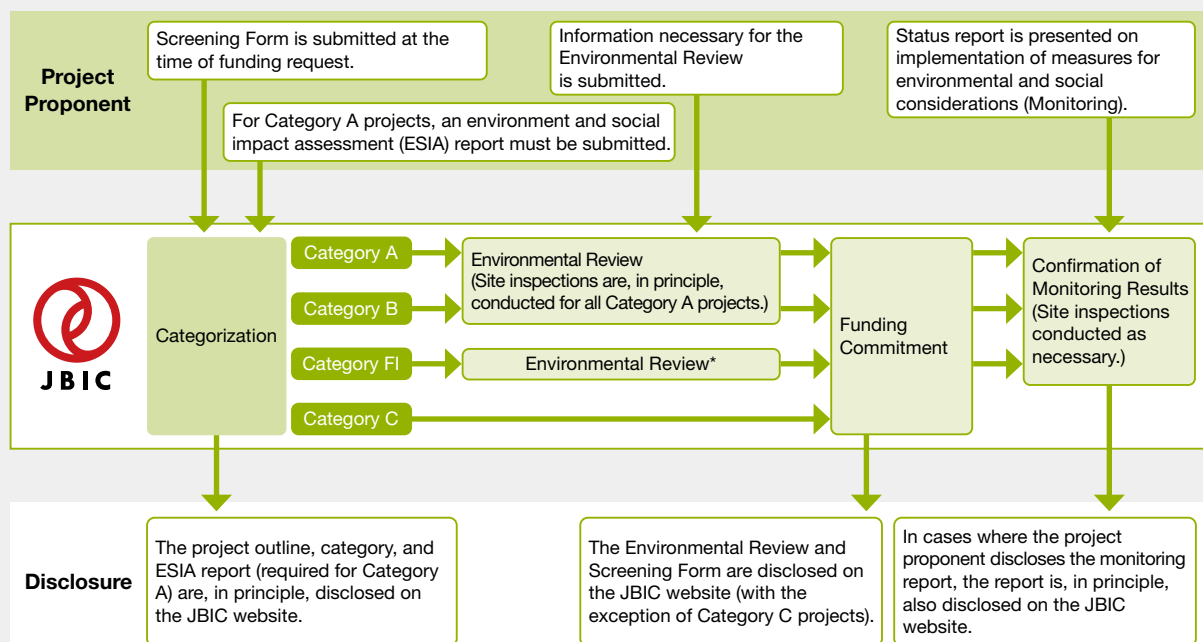
In conducting its operations, JBIC confirms whether appropriate consideration for local communities and the natural environment has been made in all the JBIC-financed projects based on the “Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations” (Environmental Guidelines).

The Environmental Guidelines set out the procedures, criteria, and requirements that JBIC-financed projects must meet in confirming environmental and social considerations. When JBIC judges that the project proponents have not made appropriate environmental and social considerations, it will encourage them to take remedial measures. If appropriate environmental and social considerations have not been taken, JBIC may decide not to extend funding or may request to the borrower to prepay the loan.

As for nuclear sector projects, JBIC also established and made public the “Japan Bank for International Cooperation Guidelines for Confirmation of Information

Procedure for Confirmation of Environmental and Social Considerations

Prospective projects are screened prior to funding and classified into categories according to the degree of potential environmental impact. An Environmental Review is then conducted to verify that the environmental and social impacts have been considered in a proper manner. After funding has been approved, projects are monitored to assess the actual impact.



* For Category FI projects, JBIC confirms through the financial intermediary that the proper environmental and social considerations indicated in the Environment Guidelines have been followed for the project.

Projects are classified into one of the following four categories in relation to the degree of environmental impact, based on the information provided by the project proponent during the screening process.

| | |
|-------------|--|
| Category A | Project with the potential for a serious and adverse impact on the environment |
| Category B | Project with the potential for an adverse impact on the environment, but less than that of Category A projects |
| Category C | Project with the potential for minimal or no adverse impact on the environment |
| Category FI | Project for which JBIC provides funding to a financial intermediary, and after acceptance of JBIC funding, the financial intermediary selects and conducts screenings for specific subprojects, in cases where subprojects cannot be determined prior to acceptance of JBIC funding, and where such subprojects are anticipated to have an impact on the environment |

Disclosure Considerations for Nuclear Sector Projects” (Information Disclosure Guidelines) in December 2017. Based on the Information Disclosure Guidelines, JBIC confirms that appropriate measures are carried out by project proponents and other relevant parties to ensure information disclosure and public participation for issues specific to each project.

Also, every five years after the enforcement, the Environmental Guidelines are subject to a comprehensive review based on a verification of the implementation status during the period, in order to make revisions as necessary according to the review result. In 2020, five years after the enforcement, JBIC

initiated the revision process, disseminating it broadly to the public, and revised the Environmental Guidelines in May 2022, which became effective in July 2022. In order to ensure an open and transparent process in making the revision, JBIC held a consultation forum for a total of 10 times between February 2021 to February 2022 and solicited public comments on the draft revision. In keeping with the revision of the Environmental Guidelines, JBIC also revised its “Summary of Procedures to Submit Objections concerning JBIC Guidelines for Confirmation of Environmental and Social Considerations” (Procedures) in May 2022. The current Procedures were also enforced in July 2022.

Green Bonds

JBIC aims to contribute to realizing a sustainable society and environment through green finance. To raise the necessary funds for green finance, JBIC issued green bonds for the first time as international bonds guaranteed by the Japanese government in January 2022 and the second green bonds in October 2022. The funds raised through the issuance of green bonds will be allocated to eligible projects, including

those related to renewable energy and clean transportation.

The issuance of green bonds has been conducted based on a stringent framework that has received a second-party opinion from Sustainalytics Japan Inc, a company holding a major share and highly recognized in the market.

Description of Issuance

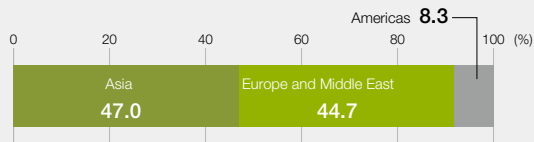
| | First (JBIC50) | Second (JBIC55) |
|-------------|---------------------|-----------------|
| Guarantor | Japanese government | |
| Currency | US dollar | |
| Maturity | 5 years | |
| Coupon rate | 1.625% | 4.375% |
| Amount | USD500 million | |

Eligible Projects

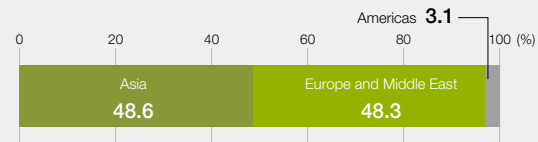
- Renewable energy (e.g. wind power projects in Africa, geothermal power projects in Southeast Asia)
- Clean transportation (e.g. high-speed railway projects in Europe)

Sales by Region

• First green bonds (JBIC50)

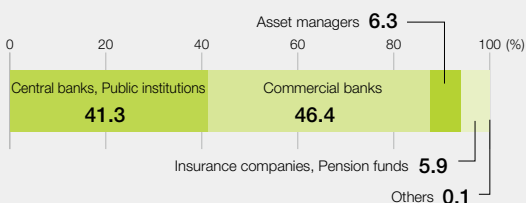


• Second green bonds (JBIC55)

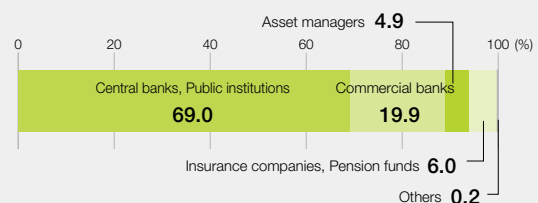


Sales by Sector

• First green bonds (JBIC50)



• Second green bonds (JBIC55)



S

Social

■ Examples of Business Outcomes Relating to Social Impact Finance

Through social impact finance, we are providing support for projects that assist resolving social issues.

Reuse and Recycling of Resources/Improving the Hygiene Environment

Loan for Indian Company Engaging in Waste-to-energy Project Based on Credit Line

Point JBIC signed in March 2023 a loan agreement amounting up to approximately ¥1.5 billion, with Power Finance Corporation Limited (PFC), a government financial institution in India. The loan is based on the credit line that JBIC signed with PFC in July 2022 for renewable energy projects and energy efficient power generation and heat supply projects. The loan (amounting to approximately ¥2.6 billion in total) is co-financed with Sumitomo Mitsui Banking Corporation. JBIC will also provide a guarantee for the portion co-financed by the private financial institution.

The loan is intended to provide Indian company Antony Lara Renewable Energy Pvt. Ltd., through PFC, with the funds necessary for a waste-to-energy project in the state of Maharashtra, India.

India is relying heavily on coal for power generation sources, with nearly 80% of its energy demand being met by fossil fuels. Given such circumstances, Prime Minister Modi has pledged that India would become “energy-independent” by 2047, the year marking the centenary of the country’s independence, and committed to boosting the non-fossil energy capacity to 500GW by 2030. On another front, issues of mounting untreated wastes resulting from the growing urban population are escalating in India, as a large proportion of waste is unused and discarded in landfills. The Government of India continues to address hygiene problems in the country and is promoting the establishment of waste processing facilities such as waste-to-energy plants under its Clean India Mission.

JBIC supports the Government of India’s initiatives that contribute toward global environmental preservation and resolution of social issues with the loan to PFC.



Signing ceremony for the loan to PFC

Reuse and Recycling of Resources

Loan for Acquisition of Stake in Discarded Household Appliances and Electronic Devices in Canada

Point JBIC concluded in February 2023 a loan agreement in Canadian dollars with JX Metals Canada Inc. (JXMC), a Canadian subsidiary of JX Nippon Mining & Metals Corporation (JXNMM). The loan is intended to finance part of the funds necessary for JXNMM to acquire shares in a recycler of electric and electronic waste company. The loan is co-financed with Mizuho Bank, Ltd. and Sumitomo Mitsui Banking Corporation.

The loan by JBIC is intended to finance part of the funds necessary for JXNMM to acquire, through JXMC, shares in eCycle Solutions Inc., the largest recycler of electric and electronic waste in Canada. Acquiring a stake in such waste with the share purchase, JXNMM is to reuse collected waste as raw materials for copper smelting.

Copper is used in many products, such as electric vehicle motors, and is a critical resource for the realization of a decarbonized society. As the growing copper demand cannot be fulfilled solely by ore raw materials from mines, it is considered to be essential to recycle resources from such wastes as electric and electronic waste. Amid the intensifying global competition to acquire recycled resources, the loan will financially support JXNMM in securing and utilizing recycled resources, thereby contributing toward securing a stable supply of resources to Japan and strengthening resilience of the Japanese company’s supply chain.



Electric and electronic waste collected by JXNMM

Equity Participation in Healthcare Company in Singapore

Point Jointly with Mitsui & Co., Ltd. (Mitsui), JBIC concluded in March 2023 a shareholders' agreement to acquire shares and convertible bonds of Wellesta Holdings Pte. Ltd. (Wellesta) of Singapore (of which JBIC's contribution is up to approximately SGD 20 million) through a special purpose company (SPC) established by Mitsui.

Wellesta is a startup founded in 2019 and engages in the sales and marketing business of pharmaceuticals and medical devices mainly in Asia.

Meanwhile, Mitsui has focused on the healthcare business in Asia. Mitsui has been the majority shareholder in IHH Healthcare Berhad (IHH), which is Asia's largest private hospital group and is positioned as Mitsui's core asset in the healthcare sector. Against this backdrop, Mitsui aims to expand its healthcare business value chain by securing pharmaceutical market access through the investment in Wellesta.

Wellesta's business also contributes to solving social problems in Asia; the "drug lag" or "device lag," the delay in making a drug or a medical device available in a particular market by facilitating the sales and marketing of pharmaceuticals and medical devices.

JBIC's equity participation in Wellesta will support Mitsui in expanding its overseas business and resolving the social issue, thereby contributing toward maintaining and improving the international competitiveness of Japanese industry.

Loan for Manufacturing and Sales Business of Recycled PET Resin in Malaysia

Point JBIC concluded in July 2022 a loan agreement amounting up to €2.56 million with Hiroyuki Industries (M) Sdn. Bhd. (HISB), a Malaysian subsidiary of HIROYUKI CO., LTD. (HIROYUKI), for its recycled PET resin business. The loan is co-financed with Resona Bank, Limited.

HIROYUKI is an SME based in Saitama Prefecture and is engaged in wholesale of packaging and other products. It established HISB in Malaysia in 2000 and has been exporting packaging products mainly to Southeast Asia, Europe, North America, and Africa. In response to the growing environmental consciousness, HISB is promoting the business to collect used plastic bottles, which are mostly discarded in Malaysia, and produce recycled PET resin for packaging foodstuffs as an effort to contribute to the realization of a recycling-based society.

In order to support the efforts of HISB, JBIC provided a loan in November 2015 for HISB's manufacturing and sales business of recycled PET resin in Johor, Malaysia. This time, JBIC provided another loan to finance the funds necessary for HISB to expand its production facilities.

JBIC will continue to contribute toward maintaining and improving the international competitiveness of Japanese industry by providing support to the overseas business expansion of mid-tier enterprises and SMEs.



Recycling line



■ Initiatives Related to Human Capital and Diversity

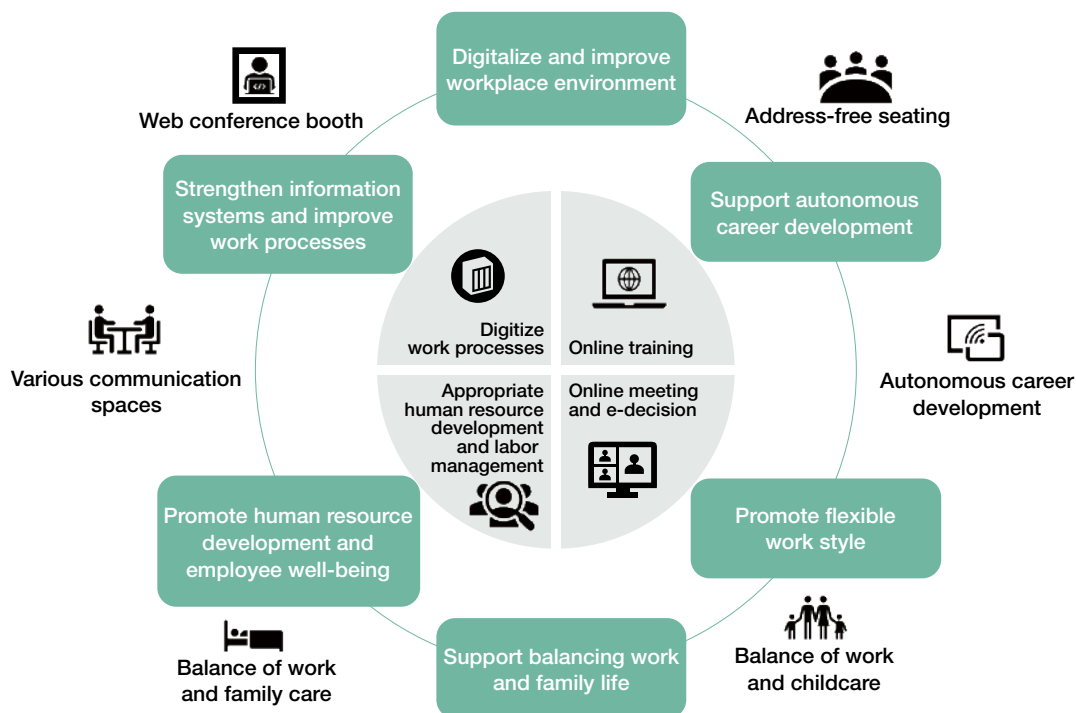
JBIC’s corporate philosophy is “Positioned at the crossroads of global business opportunities, JBIC is opening new venues to the future for the Japanese and global economy.” Under this philosophy, in its Fourth Medium-term Business Plan JBIC has established the medium- to long-term vision, “To serve as a ‘navigator’ to build a brighter future with Japanese power in an uncharted global situation.” This defines what JBIC wishes to become over the next 10 years. JBIC’s role is to realize this Philosophy and Vision in the global business context by means of finance. This requires the active engagement of human resources that possess high levels of specialized skills in finance as well as public awareness and an international perspective needed to look ahead for the development of Japan and the international economy and society amid complex international relations. As such, we have included “Promoting human resource development and work style reforms to draw out the abilities and the vitality of diverse employees” as one of the action plans in our Fourth Medium-term Business Plan and have been conducting initiatives to recruit and develop excellent human resources and support their active engagement.

Based on this action plan, we formulated The Second Plan for Work Style Reform (FY2021–FY2023) with the aim of creating organizations where all employees can work sustainably and with vitality, in work

styles that suit their own values, and strengthen the resilience of organizational foundations under the “new normal.” We placed focus on strengthening our organizational foundations to contribute toward the sound development of Japan and the international economy and society by simultaneously enabling work styles that match more to the individual values of employees, while going a step beyond the previous plan and capturing the behavior change resulting from the COVID-19 pandemic, and by turning JBIC into an organization where employees can fully demonstrate their respective capabilities for more active engagement by strengthening human resource development based on a remote work environment and supporting autonomous career development and skill development. We continuously promote hybrid work that combines office work and telework while implementing various measures such as strengthening information systems and improving work processes mainly through digitization, enhancing office and telework environments, strengthening human resource development in a remote work environment, supporting autonomous career development and skill development, improving the mental and physical health of employees, supporting the balancing of work and childcare/nursing care, and making work systems more flexible.

Objectives of the Plan

Creating organizations where all employees can work sustainably and with vitality, in work styles that suit their own values, and strengthening the resilience of organizational foundations under the “new normal”



Human Resource Development Policy that Draws Out the Abilities and Vitality of Diverse Employees

As an organization that contributes to the advancement of Japan and the international economic community, JBIC aims to create added value and respond to needs that are becoming increasingly diverse and sophisticated amid the progression of globalization. To do so, JBIC implements human resource development and training policies that focus on the strengths and aptitudes of individual employees rather than training generalists in a homogeneous manner, consciously cultivating hard and soft skills from an early stage and continually strengthening these with an eye to future career paths.

For managerial track, in FY2020 we began operating a “business field certification” system from the perspective of further sophisticating specialization and clarifying the career path of individual employees. Also, with the aim of expanding the range of career path choices and developing staff with high levels of expertise, in FY2020 we established the Professional Talent Ladder in addition to the Management Talent Ladder, which handles the responsibilities of organizational management. To put this policy into practice, we are introducing systems to encourage the career development of each individual. For example, we strive for meaningful dialogue with employees at forums such as the Human Resources Development Council, which formulates medium- to long-term career development plans for employees and the Skills Development Discussion for annual discussions on skills development policies among superiors. We also implement Human Resource Development Policy Discussion between the Human Resources Office and former and new superiors whenever there is a job rotation.

For administrative track, we introduced the Career Development Plan (CDP) to strengthen specialization and develop human resources over the medium- to long-term since administrative track aims to become highly specialized administrative professionals and take life stages into consideration as well. This is a rolling plan that involves creating a career development sheet and discussing this with managers on a yearly cycle. As these are not positions with relatively frequent transfers, we emphasize human resources development from a medium- to long-term perspective in the department/office with which the employee is affiliated and within a system based on dialogue between the employee and the immediate superior. The superior ascertains the intentions of the employee and promotes development and provides guidance, and when there is a job transfer the Human Resources Development Council is convened between the Human Resources Office and the new and former superiors to discuss medium- to long-term career plans.

Training Program - Developing Financial Expertise and Public Awareness and an International Perspective

Under the Fourth Medium-term Business Plan's goal to “Promote human resource development and work style reforms that can maximize performance and draw out the vitality of diverse employees,” JBIC is progressing with the establishment of a training program. In line with these efforts, in April 2023 we established JBIC Academia, as a new training program. JBIC Academia is a training program, that fosters learning, teaching, and communication among employees and was established based on the concept “Be your own compass.” This concept encapsulates our desire for all employees to learn what they wish to learn and mutually teach each other through JBIC Academia and for them to serve as “a navigator” to build a brighter future for Japan while building a career, playing active roles, and achieving growth at JBIC.

At JBIC Academia, we have reorganized our training program into three faculties. These faculties handle training in human/conceptual skills, technical skills, and global skills and provide a variety of training opportunities to enable employees ranging from new employees to executives to acquire a wide range of skills and knowledge that includes overseas work experience, finance and languages as well as business management skills. Furthermore, JBIC Academia includes in-house study sessions in a variety of fields, including geoeconomics, macroeconomics, environmental and social issues, and individual cases of loans and investments. In April 2023, we also introduced Learning Management System (LMS) to support autonomous career development toward the realization of “Digitalize a working environment that can adapt to the ‘new normal’,” which is an action plan under the Fourth Medium-term Business Plan, and “Cultivate appropriate human resources development under a remote work environment” and “Support autonomous career development” as prescribed in the Second Plan for Work Style Reform.

A Support System that Encourages Active Roles of Diverse and Talented Human Resources

Besides OFF-JT (Off the Job Training) that utilizes the above-mentioned JBIC Academia, JBIC provides OJT (On the Job Training) at the actual workplace to establish career paths that reflect each employee's specialized skills through work experience. We ensure that both new graduate employees who begin their careers at JBIC and mid-career employees who JBIC focuses on enhancing recruitment as described below, can quickly become familiar with our organization and can work autonomously. Specifically, during OJT we provide support by assigning trainers (instructors for work-related development) to our new graduate employees and mentors to mid-career employees. Additionally, we are strengthening support for employee development

through one-on-one meetings, which provide regular opportunities for dialogue with managers for the purpose of employee development.

Promoting Diverse Work Styles

With a view to enabling work styles matched to the diverse values of employees, we have established leave and other personnel systems and a range of support programs for employees who balance work with childcare/nursing care. We distribute childcare/nursing care handbooks, hold childcare/nursing care interviews with managers, and regularly communicate information about work-life balance support systems to all employees. Through these initiatives, JBIC has received “Kurumin” certification as a company supporting child-rearing and has obtained “Tomonin” certification as a company striving to create a workplace environment that helps employees to balance work with nursing care.

Under the Second Plan for Work Style Reform, we created an environment in which all employees can perform childcare and return to work without anxiety, held work-life balance support seminars and roundtable discussions, and provided training for managers to promote an understanding of childcare and nursing care. Additionally, we have expanded our support system for employees with children in school as well as systems to encourage male employees to take childcare leave. (In FY2022, the percentage of men taking childcare leave was 40.0% and the percentage of men taking childcare leave and leave for childcare purposes was 93.3%.) We are also expanding our comeback system, which allows employees who left the company for reasons such as childbirth, childcare, nursing care, or the transfer of a spouse to return to work.



Creating Environments that Enable Flexible Working Styles

We implement a highly flexible staggered work system, a telework system, and a summer vacation (five days) that is separate from paid vacation. We have set a target of 80% paid leave usage rate for JBIC employees (2022 result: 65.1%) and encourage employees to steadily take paid leave, including encouraging them to take consecutive holidays, while making efforts to create work environments conducive to easily taking leave such as by making employees aware of the state of their unused paid leave.

Besides improving networks for employee teleworking, we are working to improve the office environment so that employees can be more productive in a more comfortable environment when they begin work each day. We are also making efforts to revitalize

communication between employees under hybrid work conditions by implementing team building training and roundtable discussions on a variety of topics.

Active Participation of Diverse Human Resources

In our action plan based on the Act on Promotion of Women’s Participation and Advancement in the Workplace, we have set a goal of increasing the proportion of female employees in management positions at JBIC to 10% or more by the end of July 2024 (8.2% as of the end of March 2023). To do so, we will expand support for balancing work with childcare/nursing care and create an environment that enables flexible work styles. Concurrently, we are making efforts to foster career development awareness among female employees such as by sending them to external training programs. Under this plan, we are actively recruiting women with the aim of increasing the proportion of recent-graduate females to 50% each year among new graduates hired for managerial track positions at JBIC (57% in 2022, 45% in 2023). We are also increasing the number of female employees at overseas representative offices and seconding locations (as of the end of March 2023, the percentage of managerial track employees posted overseas was 15% for men and 14% for women).

We are also focusing on mid-career recruitment, including specialist personnel. As of the end of March 2023, mid-career hires accounted for approximately 20% of managerial positions and approximately 30% of non-managerial positions among managerial track employees, while the mid-career hiring ratio for regular employees in 2022 was 48%.

Creating a Work Environment that Promotes Physical and Mental Health

To provide mental health care to our employees, besides implementing stress check tests, we distribute regular newsletters, set up external consultation desks, and provide self-care and line-care training.

Furthermore, we absolutely prohibit sexual harassment, power harassment, maternity harassment, and other forms of harassment as these violate human rights and harm the workplace environment. Along with internal and external consultation desks, we have set up external consultation desks specializing in harassment issues. When a problem occurs, we promptly investigate and take decisive measures to help victims and prevent such an incident from reoccurring. As an initiative to prevent harassment, we implement annual training and e-learning for all executives and employees.

■ Corporate Governance

JBIC's Fourth Medium-term Business Plan identified "Develop a business structure that can adapt to changes in the external environment" and "Manage the organization efficiently in order to respond to the 'new normal.'" as its key focus areas.

We are developing a business process and structure that takes the external environment into

consideration, such as changes in the business environment and customer needs, response to the SDGs and climate change issues, and global trends related to ESG investments.

For details of JBIC's corporate governance, please refer to Section 1 "Corporate Governance" in Chapter 4 (page 98) of this report.

■ Establishment of the Sustainability Committee and Sustainability Advisory Committee

As part of its efforts toward "strengthening its sustainability governance and management systems" as set out in the ESG Policy, JBIC newly established the Sustainability Advisory Committee and Sustainability Committee in June 2022. In FY2022, in the Sustainability Committee we deliberated on policies regarding climate change-related information disclosures and establishment of the human rights policy. In the Sustainability Advisory Committee, consisting of external experts, the Board of Directors consulted and received advice on our responses to climate change issues. We are accelerating sustainability management throughout the entire organization toward the realization of global sustainability, including sustainable

development of the global economy and society and resolution of global issues.

Sustainability Advisory Committee

As an advisory body to the Board of Directors, comprising external experts, it provides advice on matters such as JBIC's policies for advancing initiatives toward the realization of sustainability.

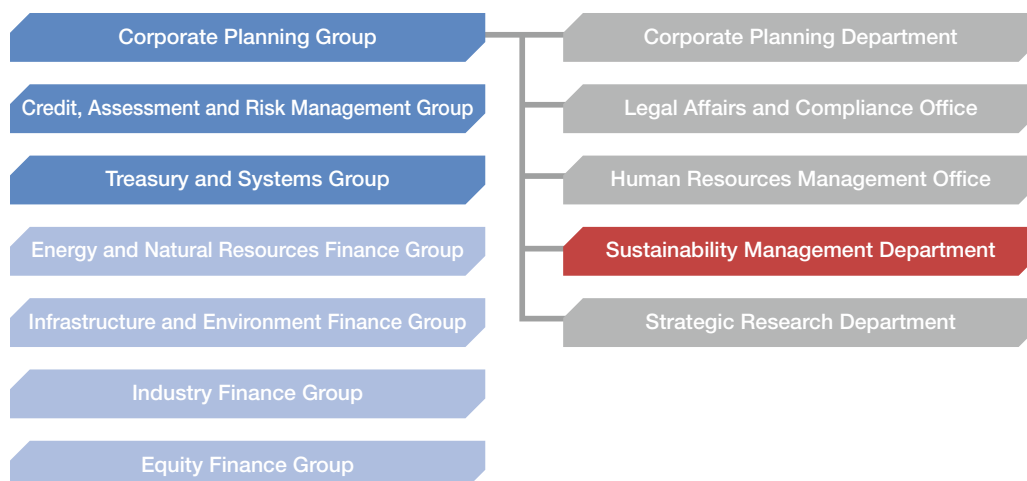
Sustainability Committee

This committee deliberates on JBIC's policies for promoting sustainability and other important matters, based on the mandate of the Executive Committee.

■ Establishment of the Sustainability Management Department

As another effort to strengthen our sustainability governance and management systems, we established the Sustainability Management Department under the Corporate Planning Group in June 2022. By

centralizing the knowledge and functions related to sustainability, JBIC further promotes its initiatives toward the realization of sustainability.



■ Participation in International Initiatives

TCFD Consortium

In October 2019, JBIC expressed its support for the objectives of the Task Force on Climate-related Financial Disclosures (TCFD) and joined the TCFD Consortium.



TNFD Forum

In December 2022, JBIC became a member of the Taskforce on Nature-related Financial Disclosures (TNFD) Forum, which supports the work and mission of the TNFD.

Japan Hydrogen Association

The Japan Hydrogen Association is a forum for various stakeholders in the public and private sectors to discuss the direction of strategies for realizing a hydrogen-based society.



Japan Hydrogen Forum (JH2F)

Established by 15 Japanese companies engaging in hydrogen-related businesses in the U.S., JH2F aims to contribute toward the achievement of the country's decarbonization goal. JBIC joined JH2F in April 2022 and has since been participating in monthly general and other meetings.

Clean Fuel Ammonia Association

The Clean Fuel Ammonia Association was established in April 2019 as a general incorporated association (formerly known as the Green Ammonia Consortium) to establish a value chain from the production to the use of CO₂-free ammonia and for its social implementation, thereby realizing a low-carbon society.



Sustainability Leaders Council

The Sustainability Leaders Council was jointly established by the Eurasia Group, GZERO Media, and Suntory Holdings Limited in October 2021 to advance sustainability agenda in Asia. JBIC is contributing toward the activities of this council as a sponsoring partner.

Keidanren Committee on Nature Conservation

The objective of the Keidanren Committee on Nature Conservation is to support nature conservation activities both in developing countries and Japan, as well as to promote such activities of companies. It supports projects through the Keidanren Nature Conservation Fund, makes policy recommendations, conducts awareness-raising activities and provides relevant information to companies. JBIC joined the committee in June 2023.

2X Challenge / 2X Global

JBIC announced in June 2018 at the G7 summit in Charlevoix, Canada, its participation in The G7 2X Challenge: Financing for Women (the 2X Challenge), an initiative to promote women's social empowerment.

2X Challenge is currently operating as part of 2X Global.



African Clean Cities Platform

In July 2022, JBIC became an associate member of the African Clean Cities Platform, which was established to support achieving the SDGs by realizing clean and healthy cities, sharing knowledge on waste management, and promoting relevant investment in African countries.

JBIC's Initiatives Related to Climate Change – Overview of Information Disclosures Made in October 2022 Based on the TCFD Recommendations

In its ESG Policy formulated in October 2021, JBIC recognizes the importance of disclosing climate-related financial information and has declared to promote information disclosures based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). JBIC has been

making disclosures based on these recommendations since 2022 and will continue to make appropriate information disclosures in the future as well.



Governance

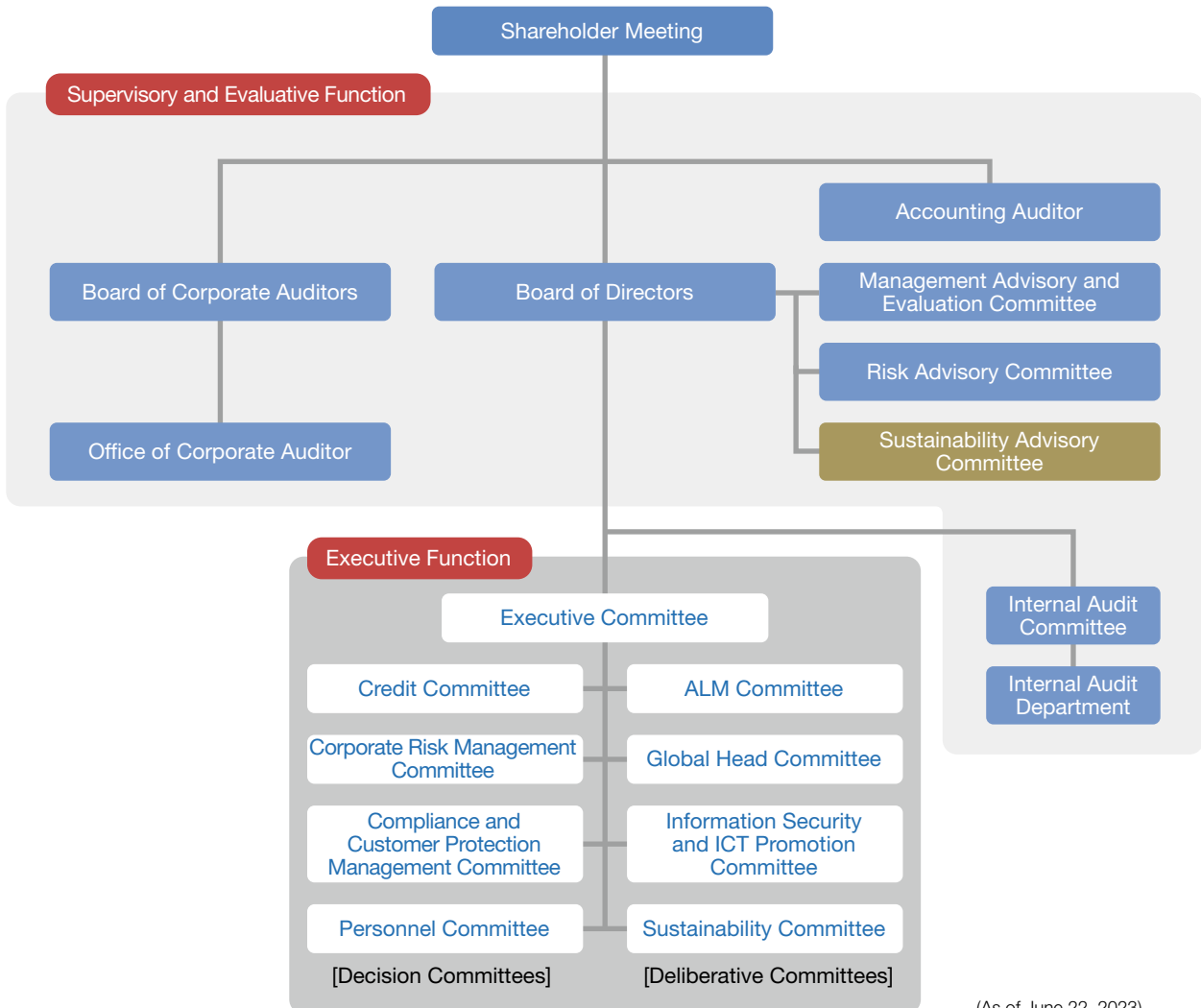
Sustainability Management Systems

In June 2022, JBIC newly established the Sustainability Advisory Committee, Sustainability Committee, and Sustainability Management Department as part of its efforts toward “strengthening its sustainability management systems,” as set out in the ESG Policy. Under the supervision of multiple organs including the Board of Directors, important matters related to

sustainability, including those concerning climate change, will be discussed at the Executive Committee, Sustainability Committee, and Corporate Risk Management Committee.

In FY2022, in the Sustainability Advisory Committee the Board of Directors consulted and received advice on our responses to climate change issues.

Governance for Sustainability Management Systems



(As of June 22, 2023)

Roles of Each Organ Concerning Sustainability-related Matters, Including Climate Change

| Board and Committees | | Role |
|-------------------------------------|-------------------------------------|---|
| Supervisory and Evaluative Function | Board of Directors | Passes resolutions on fundamental matters and changes thereof related to policies toward the realization of sustainability, including the ESG Policy |
| | Sustainability Advisory Committee | Provides advice on matters inquired by the Board of Directors related to policies for advancing initiatives toward the realization of sustainability |
| Executive Function | Executive Committee | Determines and deliberates on matters of managerial importance that relate to policies for advancing initiatives toward the realization of sustainability, as delegated by the Board of Directors |
| | Sustainability Committee | Deliberates on policies for advancing initiatives toward the realization of sustainability and other important matters, as delegated by the Executive Committee |
| | Corporate Risk Management Committee | Determines and deliberates on important matters related to management of corporate risks (including climate change-related risks), as delegated by the Executive Committee |

Strategies

In its Fourth Medium-term Business Plan announced in June 2021, JBIC identified the addressing of “global issues toward realizing sustainable development for the global economy and society” as its first key focus area. Accordingly, we regard climate change as an opportunity to accelerate energy transition toward a decarbonized society and actively work to support this global agenda through the proactive provision of green finance, transition finance, and social impact finance, and through reinforcement of its organizational structure.

We believe that engagement with stakeholders represents our important responsibility as a policy-based financial institution for accelerating energy

transition in emerging and developing countries toward the realization of a decarbonized society and for ultimately achieving global carbon neutrality. Moreover, as achieving the objectives of the Paris Agreement requires substantial investment, it is essential that the flow of funds, including those through the mobilization of private finance, needs to be redirected and applied to pathways toward decarbonization. As Japan's policy-based financial institution, JBIC continues to be proactive in providing financial support for efforts to tackle climate change through the reinforcement of collaboration with overseas governmental organizations and international organizations.

Risk Management

Recognizing the importance of managing risks related to climate change (collectively, “climate-related risks”), JBIC has designated climate-related risks as one of the Top Risks and has been monitoring them. Moreover, we use scenario analysis on transition risks of climate change in order to identify and assess the impact of climate change on our portfolio over time.

We also recognize that JBIC's engagement-related activities described in the “Strategies” section are important not only from the perspective of realizing a decarbonized society but also in terms of mitigating the climate-related risks in the future.

Top Risk Management

At JBIC, risk events that will significantly impact JBIC when they become apparent and require particular

attention are designated as Top Risks. Recognizing the importance of responding to the climate-related risks, we have specified this risk as one of the Top Risks.

Under this framework, we periodically monitor the social and regulatory trends related to climate issues, and at the same time, are advancing the use of scenario analysis to capture the potential impacts of the climate-related risks on JBIC's portfolio and developing climate-related risk management process.

Scenario Analysis

JBIC analyzes and identifies the medium- to long-term impacts of climate change on JBIC's portfolio and examines future policies and actions for managing the climate-related risks using the Net Zero 2050 Scenario assuming the achievement of global carbon neutrality

by 2050 (1.5°C scenario) and other scenarios provided by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS).

The uncertainties and complexities associated with climate-related risks in general make it difficult to identify specific channels, touchpoints and time frames in which climate change may affect an organization. Moreover, the use of climate-related risk scenario analysis to assess potential business implication and risks of climate change is still at an early stage throughout the world. There are also challenges on access to data sets and tools for organizations to conduct scenario analysis more effectively. As such, JBIC continues to develop and refine methods to conduct analysis and identify impacts in a way to fit the characteristic of

business and portfolio of Japan's policy-based financial institution, while taking into consideration progress in international practices in scenario analysis and climate-related risk management.

Initiatives Related to Thermal Coal Power Generation Projects

JBIC has discontinued its financing to unabated international thermal coal power generation projects as agreed at the G7 summit in June 2021. The outstanding of project financing to the thermal coal power generation projects as of March 31, 2022 stood at JPY826 billion, and we expect to reduce it to zero in the early 2040s.

Metrics and Targets

Number of Climate Change-related Finance Projects Committed and Structured

JBIC has set targets for green finance and transition finance under one of the action plans, "Respond to energy transformation toward the realization of a decarbonized society," of its Fourth Medium-

term Business Plan. Using the numbers of projects committed and structured as our metrics, we have defined targets for each fiscal year and have been monitoring the status of achievement at the Executive Committee.

| Evaluation Metrics | Three-year* Targets | FY2022 Targets | FY2022 Results | FY2023 Targets |
|--|------------------------|-------------------|-------------------|-------------------|
| Number of green finance projects committed | 64 | 23 | 15 | 33 |
| Number of green finance projects structured | 66 | 23 | 42 | 21 |
| Number of transition finance projects committed | 19 | 10 | 6 | 9 |
| Number of transition finance projects structured | 45 | 12 | 15 | 7 |

* From FY2021 to FY2023

Greenhouse Gas (GHG) Emissions

JBIC is conducting analysis and examination on the measurement of its GHG emissions as a metric to evaluate and manage climate-related risks and opportunities.

We are committed to pursuing such efforts as climate change-related finance and engagement to

reduce GHG emissions from our operations to net zero by 2030 and to achieve net zero GHG emissions in our finance portfolio by 2050, toward the global implementation of the Paris Agreement.



Please see the JBIC website for the full text of information disclosed based on the TCFD recommendations.
<https://www.jbic.go.jp/en/sustainability.html>

8. Outline of Operations in FY2022

Operational Highlights

The total amount of commitments JBIC made during FY2022 in loans, equity participations, and guarantees was approximately ¥2,315.2 billion, which is an increase of 12.1% from FY2021. As of March 31, 2023, the outstanding amount of loans and equity participations was approximately ¥15,998.6 billion and the outstanding amount of guarantees was approximately ¥1,537.6 billion, for a total of approximately ¥17,536.2 billion.

Through the Global Investment Enhancement Facility established in July 2022, JBIC supported Japanese companies in contributing to preserve the global environment, including decarbonization; enhancing supply chain resilience; expanding high-quality infrastructure; and creating new overseas markets. In response to global issues, JBIC strived to strengthen its relationships with overseas governments and government institutions for the realization of a decarbonized society and promotion of next-generation energy, such as hydrogen and ammonia.

JBIC's major operations in each sector during FY2022 are as follows.

Supporting Strategic Overseas Business Activities by Japanese Companies

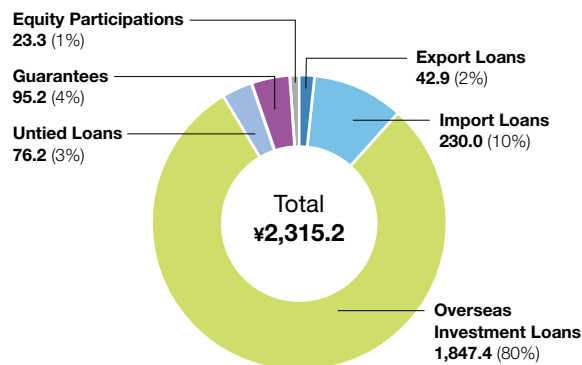
JBIC supported M&A transactions by Japanese companies, including startups, in a wide range of industries. This support includes loans for the acquisition of an animation distributor and a semiconductor-related company in the U.S., and a joint investment for a fintech startup to acquire a payment processing service company in the U.S. To support the enhancement of Japanese companies' supply chains, JBIC provided loans for numerous Japanese companies, including one to manufacturing and sales business of sputtering targets in the U.S. and another to manufacturing and sales business of carboxymethyl cellulose for lithium-ion batteries in Hungary.

Supporting Overseas Business Deployment of Japanese Mid-tier Enterprises and SMEs

To assist Japanese mid-tier enterprises and small- and medium-sized enterprises (SMEs) in expanding overseas, JBIC made a total of 64 financial

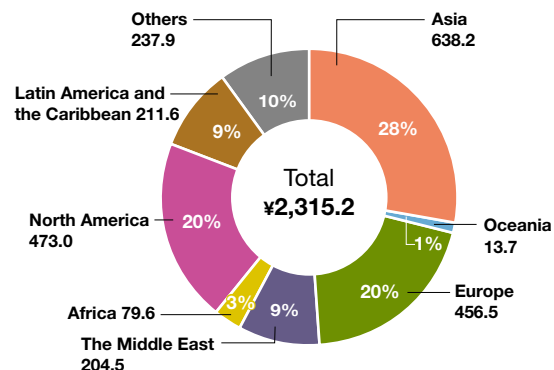
Commitments by Purpose of Financing

(FY2022; unit: billions of yen)



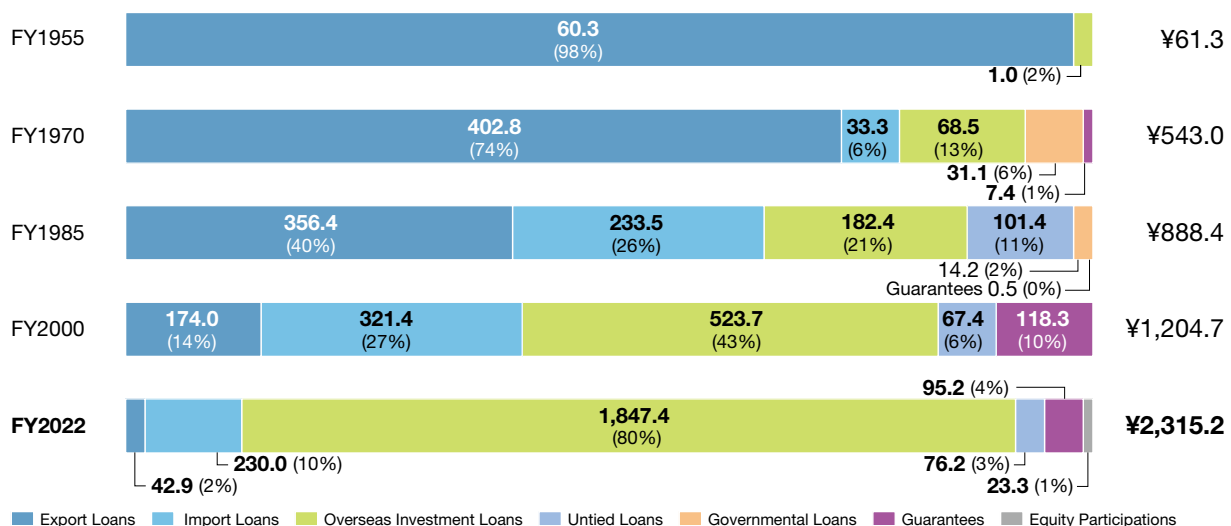
Commitments by Region

(FY2022; unit: billions of yen)



Changing Composition of Loans, Equity Participations, and Guarantees (Commitments)

(Unit: billions of yen)



commitments, aggregating approximately ¥9.8 billion in loans and guarantees in co-financing with Japanese regional financial institutions. This support included loans for food processing equipment in Thailand and the manufacturing and sales of recycled PET resin in Malaysia. JBIC, in cooperation with Japanese regional financial institutions, hosted various seminars and events to provide information that would help Japanese companies expand overseas.

Supporting Projects Contributing toward Preservation of Global Environment

Under its Global action for Reconciling Economic growth and ENvironmental preservation (GREEN) Operations (for details refer to page 86), JBIC provided loans for multiple projects, including an electricity interconnection project that will link Saudi Arabia and Egypt and a waste-to-energy project in India. In this business field, JBIC made a total of 12 financial commitments amounting to approximately ¥302.8 billion in loans and guarantees in FY2022.

Support for Energy Transition in Asia

In line with the Asia Zero Emissions Community (AZEC) Concept of the Government of Japan, JBIC strengthened its support for decarbonization efforts in Asia through the engagement with the governments of host countries and others and through the structuring of multiple projects, including renewable energy projects in Indonesia, Vietnam, etc.

Supporting Project Structuring in Next-generation Energy Sector

To boost the efforts in the sector of next-generation energy, such as hydrogen and ammonia, which is the potential key to the realization of a decarbonized society, JBIC signed memorandums of understanding (MOU) with overseas governments, government institutions, etc.

Promoting Overseas Development and Acquisition of Important Resources for Japan

As Japan depends on imports from overseas for most of its resources, it is an important task for the country to secure a stable supply of energy and mineral resources in the medium to long term by increasing its self-development ratio of those resources. JBIC contributes toward securing a long-term stable supply of resources through financial support for the acquisition of upstream interests in resource development, diversification of supply sources and strengthening of relationships with resource-rich countries. In FY2022, JBIC made a total of six financial commitments in the resources sector, amounting to approximately ¥429.7 billion in loans. These commitments include a loan for the acquisition of a stake in discarded household appliances and electronic devices for recycling in Canada.

Multilateral Cooperation

Based on an agreement reached by the leaders of Japan, Australia, India, and the U.S. (Quad Partners), JBIC provided a loan for a healthcare project in India to address the COVID-19 pandemic. JBIC also guaranteed financing for the acquisition of a telecommunications operator of an island country in the South Pacific under a partnership between Japan, the U.S. and Australia.

Other Financing Support

To support countries neighboring Ukraine, JBIC signed an MOU with a policy-based financial institution of Poland for multiple purposes, including the enhancement of energy security, and another MOU with an international institution with the aims of energy transformation, digital transformation, etc. in Central and Eastern Europe.

In FY2022, JBIC made a total of 25 financial commitments under the Post-COVID-19 Growth Facility (ended on June 30, 2022), amounting to approximately ¥42.4 billion in loans and guarantees, and 91 financial commitments under the Global Investment Enhancement Facility, amounting to approximately ¥2,138.4 billion in loans and guarantees.

■ Examples of Business Outcomes Relating to Research and Studies and Collaboration with Overseas Governmental Organizations and International Organizations

JBIC conducts research and surveys related to overseas investment and international finance. These efforts include collection and analysis of a wide range of information, as well as knowledge sharing, while interacting with overseas government organizations, foreign and domestic research institutes, and experts in various fields.

Survey Report on Overseas Business Operations by Japanese Manufacturing Companies

JBIC conducted the 34th Survey Report on Overseas

Business Operations by Japanese Manufacturing Companies. Conducted since 1989, this survey attempts to identify the strategies and challenges of Japanese manufacturing companies expanding overseas, and appeals to a broad audience for its originality and continuity.

In the FY2022 survey, along with the regular themes of “overseas business performance,” “business prospects,” and “promising countries/regions,” JBIC also surveyed Japanese manufacturers’ perceptions regarding the individual themes of “impact of the

invasion of Ukraine,” “supply chain and geopolitical risks,” and “sustainability initiatives.” The survey found that there are signs of recovery in overseas business operations of Japanese manufacturers from the pandemic-induced slowdown and stagnation that was observed until the previous fiscal year. In the “Ranking of Promising Countries,” India has returned as the top promising country after three years, as it is seen by a wide range of industries to be the most promising country, while China has lost a large number of votes.

Nearly 90% of companies answered that Russia’s invasion of Ukraine had a negative impact in response to the question of “impact of the invasion of Ukraine.” The number of companies answering that their decarbonization efforts would “accelerate” significantly surpassed companies responding these would “slow down,” as the high price of fossil fuels induced by the invasion of Ukraine seems to have heightened expectations of widespread investments in and utilization of renewable energy.

JBIC published the survey results externally and widely provided information by holding seminars in FY2022. In addition, JBIC held briefing sessions overseas for Japanese chambers of commerce and industry and foreign governments, and the results of this survey are effectively used to make policy recommendations to foreign governments.



Collaboration with Overseas Governmental Organizations and International Organizations

Ahead of Quad Leaders’ Meeting convened in Tokyo, in May 2022 JBIC hosted a roundtable with the heads of various development finance institutions and agencies that include Export Finance Australia (EFA), the Australian Infrastructure Financing Facility for the Pacific (AIFFP), India Export-Import Bank (India Exim Bank) and US International Development Finance Corporation (US DFC) to discuss enhanced collaboration to better connect the Indo-Pacific region. The participants also agreed to work together to overcome the infrastructure development challenges Indo-Pacific region faces. They agreed to make concerted efforts to promote innovation to provide secure and reliable technology, such as telecommunication network projects, including 5G rollout, and green transition technology, including clean hydrogen. On supply chain resilience, participant institutions and agencies will continue discussions to identify supply chain vulnerabilities and explore appropriate measures to diversify sources of critical

goods and related supply chains through cooperation with wider stakeholders including the private sector.



In front of the monitor of the Japan-U.S.-Australia-India Roundtable

In July 2022, MATSUDA Noriyasu, Resident Executive Officer and Regional Head for Asia and Pacific of JBIC (at the time), participated as a panelist in the “High-Level Seminar on Quality Infrastructure Investment in Asia” co-hosted by the Organization for Economic Co-operation and Development (OECD) and the Asian Development Bank Institute (ADBI). This event was held in conjunction with the G20 Finance Ministers and Central Bank Governors Meeting held in Bali, Indonesia, and featured opinion exchanges on the sound development of policies for high-quality, sustainable infrastructure investment in the Asia-Pacific region and recommendations for such investment. In the panel discussion based on the theme of “Addressing what sustainability means for infrastructure investment in Asia”, Resident Executive Officer MATSUDA presented the roles and issues of ESG-related information in decision-making on infrastructure investment, and JBIC’s ESG policy, which proclaims that JBIC discloses its ESG information in an appropriate manner based on recommendations such as the Task Force on Climate-related Financial Disclosures (TCFD). The presentation also showcased JBIC’s opportunities of engagement with governments and other parties of project countries for high-quality, sustainable infrastructure investment.

In October 2022, JBIC held a meeting with the Inter-American Development Bank (IDB) and Inter-American Investment Corporation (IDB Invest) aimed at promoting collaboration in the Latin American region. At



High-Level Seminar on Quality Infrastructure Investment in Asia

this meeting, each organization presented its key areas of focus, and the attendees discussed the potential of collaborative projects in the Latin American region, exchanging views on the potential of collaboration on, inter alia, the promotion of sustainability in the energy sector and the development of infrastructures, in a lively and open manner. JBIC, the IDB, and IDB Invest agreed to further strengthen the cooperation among the three organizations for future collaboration.

JBIC is also strengthening its cooperation with Vietnam. At the invitation of the Committee for External Affairs of the Vietnamese National Assembly, Chief Representative AGUIN Toru of the JBIC Representative Office in Hanoi spoke at the “International Experience in Energy Development for National Sustainable Development Goals” workshop hosted by the Committee in September 2022. This workshop was held for the purpose of enabling Vietnamese participants to (1) learn from such entities as foreign governments and companies, and international organizations in Hanoi about energy development projects in other countries that will contribute toward sustainable development, (2) learn from international experiences shared by such entities that could contribute toward the energy transition of Vietnam and adapt the experience to support this, and (3) employ the knowledge gained in the workshop to develop the Vietnamese legal system in the National Assembly. Chief Representative AGUIN spoke on the theme of both JBIC’s and Japan’s support for a realistic energy transition and realization of carbon neutrality for Vietnam. Under the Vietnam-Japan Joint Initiative¹ in which JBIC is participating as a team leader in the power sector, Japanese parties and the Ministry of Industry and Trade of Vietnam (MOIT) held Workshop on Vietnam-Japan Cooperation for the Development of the Vietnamese Power Sector in December 2022. This workshop was planned and took place with the aim of sharing up-to-date information on Vietnamese energy policy trends, Japanese supportive measures, technology, and knowledge, and issues pertaining to private capital mobilization.

Cooperation with Regional Financial Institutions

In November 2022, JBIC and Japanese regional banks (Ogaki Kyoritsu Bank, the 77 Bank, the Bank of Fukuoka, the Shiga Bank, the Yamagata Bank, the Juyo Bank, the Ashikaga Bank) visited Vietnam’s Ha Nam Province, which lies to the south of Hanoi, on a joint mission that JBIC had planned with the regional banks. Many Japanese mid-tier enterprises and SMEs are already operating in Ha Nam Province. Among the Northern provinces in Vietnam, Ha Nam Province holds the second largest number of projects JBIC has supported, after Hanoi. The representatives on the joint mission exchanged views with the Chairman of the People’s Committee of Ha Nam Province and visited Thai Ha Industrial Park, which has an exclusive area for Japanese companies. Vietnam is promoting

the formation of industrial clusters to accelerate its economic development, and there are high expectations for the involvement of Japanese mid-tier enterprises and SMEs. JBIC’s Representative Office in Hanoi will contribute toward the interaction between Japanese and Vietnamese regions by leveraging its personal network.

In March 2023, JBIC participated as a lecturer in the Decarbonization/EV Seminar held in Hanoi, Vietnam, and Bangkok, Thailand. This seminar was co-sponsored by The Bank of Yokohama, Ltd., The Bank of Kyoto, Ltd., and The Hiroshima Bank, Ltd. Targeting Japanese companies expanding into Vietnam and Thailand, the seminar aimed at providing information and opportunities for interaction regarding changes in the industrial structure due to the shift to EVs in the automobile industry and the building of sustainable businesses. Chief Representative AGUIN and MIYAGUCHI Tomoyuki, chief representative in Bangkok, gave lectures titled “Towards the Realization of Sustainability - Introducing Trends in Vietnam/Thailand and JBIC’s Initiatives.” Asian countries have announced policies to decarbonize their economies by increasing the proportion of renewable energy in their total energy mix in addition to shifting to EVs. Under these circumstances, JBIC introduced diverse examples of projects that contribute to the decarbonization of host countries and industries. The speakers also mentioned that Japan will support a realistic energy transition based on the actual circumstances in each Asian country under the Asian Zero Emission Community (AZEC) initiative, a multilateral framework launched in March 2023 at the initiative of the Japanese government.

As Japan’s policy-based financial institution, JBIC will continue to work with local governments and regional financial institutions and actively share relevant information to help Japanese companies expand their business overseas in order to achieve sustainable growth, including in the energy sector.



1. The Vietnam-Japan Joint Initiative is a framework agreed on by the prime ministers of Japan and Vietnam in April 2003. The initiative aims to strengthen Vietnam’s industrial competitiveness by improving the investment environment in Vietnam and increasing foreign investment.

■ Operation Results

JBIC made total disbursements of ¥1,811.3 billion in FY2022

Planned and Actual Lending and Investments

(Unit: billions of yen)

| | FY2019 | | FY2020 | | FY2021 | | FY2022 | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| | Planned | Actual | Planned | Actual | Planned | Actual | Planned | Actual |
| Export Loans | 345.3 | 174.1 | 308.0 | 71.2 | 308.0 | 71.2 | 338.0 | 45.9 |
| Import Loans and Overseas Investment Loans | 1,681.3 | 1,490.0 | 1,900.0 | 1,699.5 | 1,700.0 | 1,898.5 | 1,505.0 | 1,631.0 |
| Untied Loans | 80.0 | 9.7 | 87.0 | 76.6 | 587.0 | 68.6 | 302.0 | 115.7 |
| Equity Participations | 115.0 | 30.2 | 105.0 | 12.7 | 105.0 | 37.3 | 155.0 | 18.6 |
| Total | 2,221.6 | 1,704.1 | 2,400.0 | 1,860.2 | 2,700.0 | 2,075.7 | 2,300.0 | 1,811.3 |

■ Financial Results

Principles of Accounting

(1) Separate Accounting

Pursuant to Article 26-2 of the Japan Bank for International Cooperation Act, JBIC shall apply separate accounting to Operations other than the Special Operations (Ordinary Operations) and Special Operations.

(2) Preparation of Financial Statements

Pursuant to the Companies Act and Article 26 of the Japan Bank for International Cooperation Act, JBIC prepares financial statements and submits them to the Minister of Finance. The report on the final settlement of accounts is submitted to the government of Japan, together with the financial statements and, after examination by the Board of Audit of Japan, to the Diet.

Pursuant to the Companies Act, JBIC prepares consolidated financial statements and pursuant to Article 5 of the Ordinance of the Ministry of Finance regarding Japan Bank for International Cooperation, JBIC submits the consolidated balance sheet and the consolidated statement of operations to the Minister of Finance.

Ordinary Operations

(1) Statement of Operations

In FY2022, JBIC recorded ¥567.9 billion in Interest Income and ¥655.0 billion in Ordinary Income. This was for various reasons including support for promoting the acquisition of interest, and the development of natural resources, and the overseas operations of Japanese companies such as infrastructure projects and efforts to facilitate business overseas to preserve the global environment. On the other hand, JBIC recorded ¥496.1 billion in Ordinary Expenses as a result of posting ¥459.2 billion in Interest Expenses, such as Interest on borrowed money. As a result, Ordinary Profit and Net Income both amounted to ¥158.9 billion.

(2) Balance Sheet

Total Assets amounted to ¥19,814.6 billion. This was due primarily to an increase in Loans and Bills Discounted (increased by ¥833.5 billion to ¥15,556.6 billion compared with FY2021). Total Liabilities amounted to ¥17,202.3 billion. This was mainly due to an increase in Borrowing from FILP Fiscal Loan (increased by ¥959.4 billion to ¥8,509.4 billion from the end of FY 2021). Total Net Assets was ¥2,612.3 billion. This was due mainly to the capital increase and Net Income of ¥158.9 billion, despite the payment to the national treasury through appropriation of retained earnings in FY2021.

Special Operations

(1) Statement of Operations

In FY2022, Ordinary Income was ¥2.2 billion. This was due mainly to Interest Income of ¥2.0 billion. On the other hand, JBIC recorded ¥1.2 billion in Ordinary Expenses as a result of posting ¥0.7 billion in Interest Expenses, such as Interest on Interest Swaps. As a result, Ordinary Profit and Net Income both amounted to ¥0.9 billion.

(2) Balance Sheet

Total Assets amounted to ¥331.3 billion. This was due mainly to an increase in Securities due to new investments (increased by ¥0.2 billion to ¥16.1 billion compared with the end of FY2021). Total Liabilities was ¥5.9 billion. Total Net Assets was ¥325.4 billion. This was due mainly to a Net Income of ¥0.9 billion.

The Eleventh Term for JBIC (FY2022)

[Consolidated Financial Statements] Consolidated Statement of Operations

(April 1, 2022–March 31, 2023; unit: millions of yen)

| Accounts | Amounts |
|---|----------------|
| Ordinary Income | 659,923 |
| Interest Income | 570,567 |
| Fees and Commissions | 22,746 |
| Other Ordinary Income | 44,744 |
| Other Income | 21,865 |
| Ordinary Expenses | 503,404 |
| Interest Expenses | 460,022 |
| Fees and Commissions Payments | 3,799 |
| Other Ordinary Expenses | 2,111 |
| General and Administrative Expenses | 24,382 |
| Other Expenses | 13,088 |
| Ordinary Profit | 156,518 |
| Extraordinary Income | 13 |
| Extraordinary Loss | 0 |
| Net Income Before Income Taxes | 156,532 |
| Income Taxes – Current | 13 |
| Total Income Taxes | 13 |
| Net Income | 156,518 |
| Net Loss Attributable to Non-controlling Interests | (66) |
| Net Income Attributable to Owner of Parent | 156,585 |

[Non-consolidated (JBIC only)] Statement of Operations

(April 1, 2022–March 31, 2023; unit: millions of yen)

| Accounts | Amounts |
|-------------------------------------|----------------|
| Ordinary Income | 657,216 |
| Interest Income | 570,011 |
| Fees and Commissions | 22,648 |
| Other Ordinary Income | 44,805 |
| Other Income | 19,751 |
| Ordinary Expenses | 497,339 |
| Interest Expenses | 460,022 |
| Fees and Commissions Payments | 3,111 |
| Other Ordinary Expenses | 2,111 |
| General and Administrative Expenses | 24,083 |
| Other Expenses | 8,011 |
| Ordinary Profit | 159,877 |
| Extraordinary Income | 13 |
| Net Income | 159,890 |

Consolidated Balance Sheet

(As of March 31, 2023; unit: millions of yen)

| Assets | | Liabilities and Net Assets | |
|--|-------------------|---|-------------------|
| Accounts | Amounts | Accounts | Amounts |
| Cash and Due from Banks | 2,193,775 | Borrowed Money | 8,513,677 |
| Securities Note 7 | 347,087 | Bonds Payable Note 9 | 6,191,755 |
| Loans and Bills Discounted Note 8 | 15,587,788 | Other Liabilities | 962,446 |
| Other Assets Note 8 | 866,306 | Provision for Bonuses | 614 |
| Property, Plant and Equipment Note 10 | 30,730 | Provision for Directors' Bonuses | 10 |
| Intangible Assets | 8,461 | Net Defined Benefit Liability | 5,690 |
| Customers' Liabilities for Acceptances and Guarantees Note 8 | 1,534,258 | Provision for Directors' Retirement Benefits | 37 |
| Allowance for Loan Losses | (410,526) | Acceptances and Guarantees | 1,534,258 |
| | | Total Liabilities | 17,208,488 |
| | | Capital Stock | 2,108,800 |
| | | Retained Earnings | 1,126,210 |
| | | Total Shareholder's Equity | 3,235,010 |
| | | Valuation Difference on Available-for-sale Securities | 25,300 |
| | | Deferred Gains or Losses on Hedges | (323,123) |
| | | Foreign Currency Translation Adjustment | 11,923 |
| | | Total Accumulated Other Comprehensive Income (Loss) | (285,899) |
| | | Non-controlling Interests | 283 |
| | | Total Net Assets | 2,949,394 |
| Total Assets | 20,157,883 | Total Liabilities and Net Assets | 20,157,883 |

Note: See Notes 7 to 10 on pages 30 to 31 of Appendix for details.

Balance Sheet

(As of March 31, 2023; unit: millions of yen)

| Assets | | Liabilities and Net Assets | |
|---|-------------------|---|-------------------|
| Accounts | Amounts | Accounts | Amounts |
| Cash and Due from Banks | 2,192,966 | Borrowed Money | 8,513,677 |
| Securities | 336,939 | Bonds Payable | 6,191,755 |
| Loans and Bills Discounted | 15,587,788 | Other Liabilities | 962,159 |
| Other Assets | 865,400 | Provision for Bonuses | 614 |
| Property, Plant and Equipment | 30,710 | Provision for Directors' Bonuses | 10 |
| Intangible Assets | 8,461 | Provision for Retirement Benefits | 5,690 |
| Customers' Liabilities for Acceptances and Guarantees | 1,534,258 | Provision for Directors' Retirement Benefits | 37 |
| Allowance for Loan Losses | (410,526) | Acceptances and Guarantees | 1,534,258 |
| | | Total Liabilities | 17,208,202 |
| | | Capital Stock | 2,108,800 |
| | | Retained Earnings | 1,126,821 |
| | | Total Shareholder's Equity | 3,235,621 |
| | | Valuation Difference on Available-for-sale Securities | 25,300 |
| | | Deferred Gains or Losses on Hedges | (323,123) |
| | | Total Valuation and Translation Adjustments | (297,823) |
| | | Total Net Assets | 2,937,797 |
| Total Assets | 20,146,000 | Total Liabilities and Net Assets | 20,146,000 |

[Ordinary Operations Account]
Statement of Operations

(April 1, 2022–March 31, 2023; unit: millions of yen)

| Accounts | Amounts |
|-------------------------------------|----------------|
| Ordinary Income | 655,075 |
| Interest Income | 567,939 |
| Fees and Commissions | 22,648 |
| Other Ordinary Income | 44,835 |
| Other Income | 19,651 |
| Ordinary Expenses | 496,162 |
| Interest Expenses | 459,290 |
| Fees and Commissions Payments | 3,055 |
| Other Ordinary Expenses | 2,111 |
| General and Administrative Expenses | 23,693 |
| Other Expenses | 8,011 |
| Ordinary Profit | 158,912 |
| Extraordinary Income | 13 |
| Net Income | 158,926 |

[Special Operations Account]
Statement of Operations

(April 1, 2022–March 31, 2023; unit: millions of yen)

| Accounts | Amounts |
|-------------------------------------|--------------|
| Ordinary Income | 2,234 |
| Interest Income | 2,071 |
| Other Income | 163 |
| Ordinary Expenses | 1,270 |
| Interest Expenses | 731 |
| Fees and Commissions Payments | 56 |
| Other Ordinary Expenses | 30 |
| General and Administrative Expenses | 452 |
| Ordinary Profit | 964 |
| Net Income | 964 |

Balance Sheet

(As of March 31, 2023; unit: millions of yen)

| Assets | | Liabilities and Net Assets | |
|---|-------------------|---|-------------------|
| Accounts | Amounts | Accounts | Amounts |
| Cash and Due from Banks | 1,910,138 | Borrowed Money | 8,509,477 |
| Securities | 320,801 | Bonds Payable | 6,191,755 |
| Loans and Bills Discounted | 15,556,651 | Other Liabilities | 960,530 |
| Other Assets | 863,958 | Provision for Bonuses | 602 |
| Property, Plant and Equipment | 30,710 | Provision for Directors' Bonuses | 9 |
| Intangible Assets | 8,461 | Provision for Retirement Benefits | 5,651 |
| Customers' Liabilities for Acceptances and Guarantees | 1,534,258 | Provision for Directors' Retirement Benefits | 37 |
| Allowance for Loan Losses | (410,342) | Acceptances and Guarantees | 1,534,258 |
| | | Total Liabilities | 17,202,322 |
| | | Capital Stock | 1,785,500 |
| | | Retained Earnings | 1,125,842 |
| | | Total Shareholder's Equity | 2,911,342 |
| | | Valuation Difference on Available-for-sale Securities | 24,707 |
| | | Deferred Gains or Losses on Hedges | (323,734) |
| | | Total Valuation and Translation Adjustments | (299,026) |
| | | Total Net Assets | 2,612,316 |
| Total Assets | 19,814,638 | Total Liabilities and Net Assets | 19,814,638 |

Balance Sheet

(As of March 31, 2023; unit: millions of yen)

| Assets | | Liabilities and Net Assets | |
|----------------------------|----------------|---|----------------|
| Accounts | Amounts | Accounts | Amounts |
| Cash and Due from Banks | 282,827 | Borrowed Money | 4,200 |
| Securities | 16,138 | Other Liabilities | 1,666 |
| Loans and Bills Discounted | 31,137 | Provision for Bonuses | 11 |
| Other Assets | 1,478 | Provision for Directors' Bonuses | 0 |
| Allowance for Loan Losses | (183) | Provision for Retirement Benefits | 39 |
| | | Provision for Directors' Retirement Benefits | 0 |
| | | Total Liabilities | 5,917 |
| | | Capital Stock | 323,300 |
| | | Retained Earnings | 978 |
| | | Total Shareholder's Equity | 324,278 |
| | | Valuation Difference on Available-for-sale Securities | 592 |
| | | Deferred Gains or Losses on Hedges | 610 |
| | | Total Valuation and Translation Adjustments | 1,202 |
| | | Total Net Assets | 325,481 |
| Total Assets | 331,398 | Total Liabilities and Net Assets | 331,398 |

Funding Sources

JBIC finances its operations through various sources, including borrowings from the Fiscal Investment and Loan Program (FILP) Fiscal Loan, Government-guaranteed Foreign Bond issuance, Government-guaranteed Long-term Loans in Foreign Currency, FILP Agency Bond issuance, Capital Contributions from FILP Industrial Investment, and borrowings from the Foreign Exchange Fund Special Account.

As JBIC provides long-term financing, its operations are financed by long-term funds to match maturities between funding and lending instruments.

Borrowings from FILP Fiscal Loan, Government-guaranteed Foreign Bond issuance, Government-guaranteed Long-term Loans in Foreign Currency, and Capital Contributions from FILP Industrial Investment, etc., are included in the national budget (either as an item in the General Account budget or the Special Account budget), and requests for them are submitted to the Diet for approval along the operating budget of JBIC. Recent funding results and plans for FY2023 are shown in the table below.

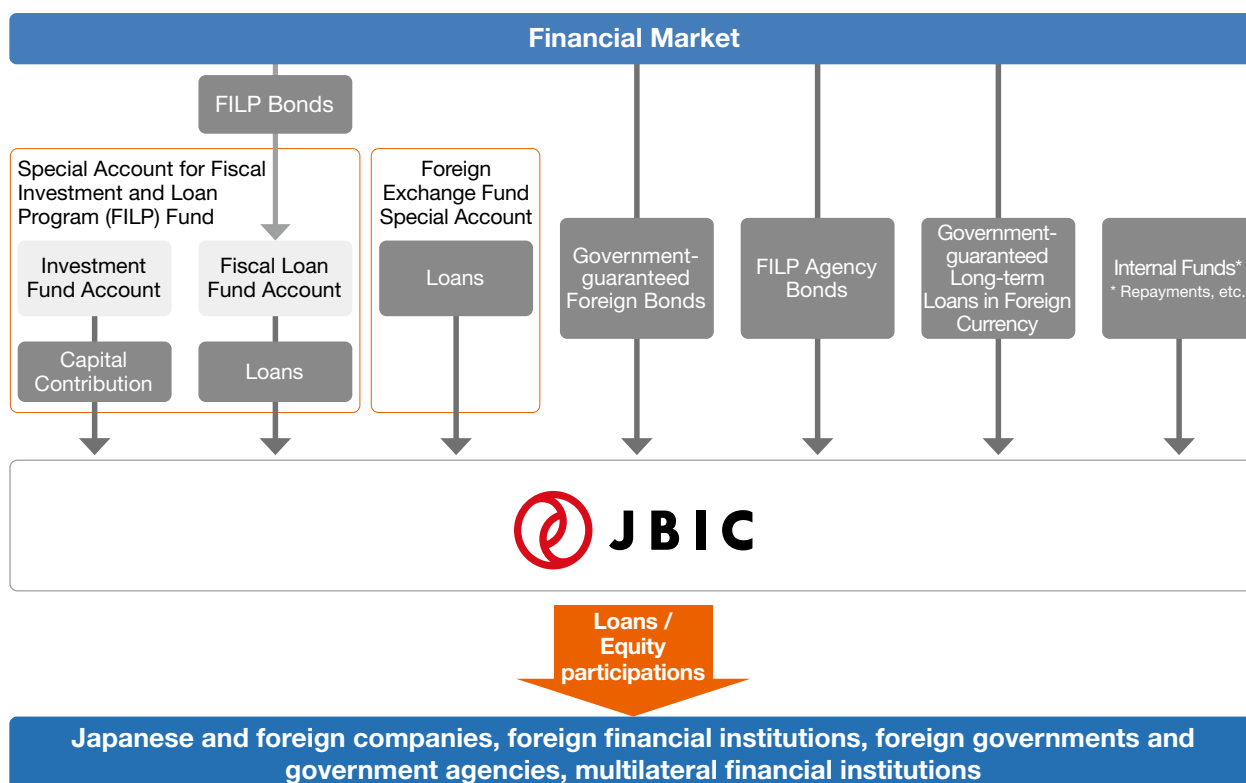
Funding Sources: Actual and Planned

(Unit: billions of yen)

| | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Actual | FY2023 Planned |
|---|---------------|---------------|---------------|---------------|----------------|
| Capital Contribution from FILP Industrial Investment | 98.5 | 80.0 | 60.0 | 85.0 | 90.0 |
| Borrowing from FILP Fiscal Loan | 43.7 | 14.9 | 11.5 | 909.2 | 981.0 |
| Borrowing from Foreign Exchange Fund Special Account | 422.9 | 2,051.1 | 1,299.1 | 2,523.8 | — |
| Government-guaranteed Long-term Loans in Foreign Currency | — | — | — | — | 40.0 |
| Government-guaranteed Foreign Bonds* | 849.4 | 833.4 | 642.3 | 1,071.8 | 1,845.0 |
| FILP Agency Bonds* | — | — | — | — | 20.0 |
| Other Sources of Funds, Including Repayments | 289.5 | (1,119.2) | 62.7 | (2,778.5) | (326.0) |
| Total | 1,704.1 | 1,860.2 | 2,075.7 | 1,811.3 | 2,650.0 |

* Figures for bonds are indicated at face value.

Funding Sources



Government-guaranteed Foreign Bonds

JBIC raises part of its funds by issuing Government-guaranteed foreign bonds in international capital markets. Outstanding Government-guaranteed foreign bonds at the end of FY2022 amounted to ¥6,181.4 billion at face value, which accounts for 42.01% of the total outstanding borrowings and bonds. JBIC provides foreign currency loans when necessary to effectively implement policy, and funds raised by issuing Government-guaranteed foreign bonds are used as a source of those loans.

In October 2021, JBIC developed the JBIC Green Bond Framework aligned with the Green Bond Principles 2021 published by the International Capital Market Association (ICMA) and in January 2022 JBIC issued its first Green Bond. This Green Bond is also the first initiative for a Government-guaranteed foreign green bond. JBIC also issued a second green bond in October 2022. The proceeds from the issuance of these Green Bonds will be used based on the JBIC Green Bond Framework as funds needed for renewable energy projects toward a decarbonized society and green finance toward green mobility.

In the FY2023 budget, JBIC plans to issue in the total amount of up to ¥1,845.0 billion in Government-guaranteed foreign bonds.

JBIC's Government-guaranteed foreign bonds receive the same ratings as the Government of Japan from the rating agencies (A1 from Moody's Japan K.K. (Moody's) and A+ from S&P Global Ratings Japan Inc. (S&P) as of September 6, 2023). Since they are treated as assets for which the Bank for International Settlements (BIS) assigns zero risk weight in calculating the capital adequacy ratio for depository institutions, these bonds provide a quality investment opportunity for investors in international capital markets.

FILP Agency Bonds

In compliance with the government policy to reform FILP, JBIC has issued bonds without government guarantees (FILP agency bonds) in the Japan's capital market since FY2001, thereby raising funds based on its own creditworthiness. JBIC plans to issue up to ¥20.0 billion in FY2023.

FILP agency bonds that JBIC has already issued received the same ratings as the Government of Japan (as of September 6, 2023) as shown below. They are treated as assets for which BIS assigns 10% risk weight in calculating the capital adequacy ratio for depository financial institutions.

| | |
|---|----------|
| Rating & Investment Information, Inc. (R&I) |AA+ |
| Japan Credit Rating Agency, Ltd. (JCR) |AAA |
| Moody's |A1 |
| S&P |A+ |

